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## ECONOMIC REVIEW OF REVIEWS.

### CAN AMERICA EXPORT WHEAT?

In an article in *Foreign Affairs* * Mr. T. D. HAMMATT enquires into the prospects of wheat exports from the United States. The last decade before the war was marked by a large increase in the wheat acreage of Canada, Argentina and Australia, amounting to 100 per cent. in the case of the first named, and 40 per cent. each in the case of the other two. By comparison the two largest wheat producing countries, the United States and Russia, made slow progress. During the same period Canada increased her exports by 183 per cent., Australia by 70 per cent., and Russia and India by 32 per cent., whilst the United States and Argentina showed a falling off, due in the latter instance to bad seasons. These events already pointed to more intense competition in the future. The reduction of shipments from Russia and India during the war resulted in more intensive production in the United States, Canada, Argentina and Australia, from which countries the greatly enlarged offerings, in spite of lower production in Europe, created a "buyers' market," enabling importing countries to buy immense quantities of wheat at practically their own price. The continued large stocks in those four countries available for export explain the low prices obtained by American farmers during the last three years. The statistical records of the decade 1904 to 1913 show the close relationship between world crops and world prices, and between world prices and world shipments. Increased production depresses prices, and importing countries purchase more wheat when prices are relatively low, whilst in years of high prices they apparently resort to alternatives and substitutes. Large exports, as a rule, are the result of relatively low prices, and not the cause of high prices, a fact which is of significance for American growers in view of the expanding world production.

Various factors place the United States at a disadvantage as compared with her three chief competitors, Canada, Australia and Argentina. First, there is the higher charge against the American crop for the use of land and labour. The average price of wheat land is probably twice as high as in any of the other three countries, and in Argentina, at any rate, farm wages are much lower. Then there are the freight charges. As regards Australia, the saving in rail charges as compared with the United States is probably counterbalanced by much higher ocean freights; Argentina, on the other hand, is apparently able to move wheat from the farm to Western Europe at about 10 cents per bushel less than the United States; and, says Mr. Hammatt, "cheap rates, cheap labour, cheap land, together with the depression in the cattle business, are reasons for anticipating still further expansion of the Argentine wheat industry." Thirdly, Canada has a great advantage in that she produces 85 per cent. of her wheat for export, and is able to organise her trade accordingly. She has low production costs, excellent wheat, splendid elevator equipment, and a remarkably well organised marketing system; in 1922–23 she took the first place from the United States as a wheat exporter, and in 1923–24 increased her lead. Fourthly, the wheat exported by the United States is inferior to that of her competitors, the better quality being absorbed by the home market. In the other three countries the population is small and the crop large, which permits their best and most representative wheats to be exported.

"Whether it is expedient for the United States, all things considered, to devote to the growing of wheat sufficient land, labour, and capital to produce a surplus for export is a pressing question. The farmers, of course, will decide it for themselves. The progressive reduction of the planted acreage from 76,683,000 acres in 1919 to 57,111,000 acres in 1924 suggests that many farmers may have come to the conclusion that a reduction of production to the capacity of the home market is the safest policy. . . . In deciding upon a permanent wheat policy for the United States, the long view is more important than the short, and the long view lends little encouragement to the belief that large scale production of wheat on the part of the United States will prove profitable."

* New York. Quarterly. $1.25.

### WHO ARE THE PROLETARIAT?

In an article in *Die Arbeit*† Dr. GOETZ BRIEFS, "Ausserordentlicher" Professor of Political Economy at the University of Freiburg im Breisgau, seeks a definition of the term "proletariat." Analysing the

† Berlin: Verlagsgesellschaft des Allgemeinen Deutschen Gewerkschaftsbundes. (Monthly, Mk.1.)

present social and economic structure, and the conditions under which arise the opposing elements capital and labour, bourgeoisie and proletariat, he attempts to define the status of the wage-earner, and then proceeds to enquire what are the essential features therein which go to constitute proletariat. Experience shows that, particularly in the "old" countries, the wage-earner is propertyless, and has therefore no escape from the wage status. Millions of wage-earners are compelled to devote the whole proceeds of their labour to immediate consumption. The reasons lie partly in the difference between the increase of capital and the increase of the labour supply, and partly in the urgency of the labour supply itself, due to the fact that the propertyless wage-earner is in continual need of the means of subsistence and cannot afford to "wait." From this basis Prof. Briefs develops his conception of the meaning of proletariat. The worker, though free to dispose of his physical, intellectual and moral powers as he pleases, has no reserve of consumable goods from which he can live and no running income from property. In a society where a livelihood is dependent upon the exchange of services he has nothing to offer in exchange for his livelihood but his own personal labour. So long, moreover, as he is unable to earn more than is sufficient to cover his current consumption he is compelled continually to offer that labour. The owners of the means of production require his services to carry out their work, and freely contract with him for his labour. The supply of and demand for labour constitutes the labour market, and the wage is the price of the labour arising out of the contract. The wage, as the market price for labour, is subject to certain depressing influences. The owners of the means of production are not so dependent upon the use of his labour as he is upon having employment; they can afford to wait, whilst he cannot, which is a factor operating to their advantage as against his. They are further favoured by the general tendency of the supply of labour to exceed the demand. The result is to prevent wages from rising above the level necessary to meet current needs, so that wage-earners as a class are unable to raise their status. For the same reason they are unable to provide for more than the immediate needs of their children, and hence the class tends to perpetuate itself. It is this perpetuation of the working status which constitutes the essence of what is meant by "proletariat." "A proletarian is a free wage-earner or salary worker (other than a civil servant), who has no property and no income independent of his labour, and who, since his livelihood is exclusively or mainly derived from the perpetual alienation of his labour capacity, is permanently tied to his wage and labouring status." On this definition a civil servant with a definite appointment and a pension is not a proletarian. A member of a free profession may be a proletarian if he only earns sufficient to cover current consumption, or has to sell his labour. Small farmers or shopkeepers are borderline cases belonging to the "proletaroid" category. The *worker* as such is not necessarily a proletarian; not even all hand workers are proletarians. The proletarian is a person, and therefore not a *slave*, otherwise he would not be free to choose the place and nature of his work, or to dispose of his wage as he pleased. He is to be distinguished from the *poor man* (whose poverty may be due entirely to personal, and not social, reasons) and the pauper. Nor is "the proletariat" equivalent to "*the common people*." A person may formally qualify as a proletarian, and yet belong to "Society." The superficial resemblance of the proletarian to the worker, the slave, the poor man, or the common people must not be allowed to obscure his true essence.

If Prof. Briefs' definition is correct (and we see no reason to quarrel with it, etymology notwithstanding), is not the "Dictatorship of the Proletariat" a contradiction in terms?

## ENQUIRY BY SAMPLE.

In the *Journal of the Royal Statistical Society* there is an interesting paper by Mr. John Hilton on the sample method of statistical enquiry. In the latter part of 1923 it was desired to analyse the million and a quarter or more persons who at that time were being returned week by week as "insured workpeople unemployed." For this purpose a one per cent. basis was chosen, and it was possible to check the trustworthiness of this basis by comparison with similar enquiries carried out in the same year on bases of one in three and one in ten respectively. The smallness of the sample was necessitated by the fact that each individual case had to be investigated by personal interview in order to obtain the result desired; the larger samples had been obtained by the examination of records and files only. The initial difficulty with all such enquiries is, of course, to eliminate bias as far as possible. The following were the relevant passages in the instructions issued to the Employment Exchange managers for the purpose of the one in three enquiry in January :—

"The forms are not to be completed in respect of *every* claimant on the Live Insured Files, *but only in respect of one-third of them.* The proportion of one-third must be obtained by *taking every third claim in each box of claims* constituting the Live Insured Files; thus, in a particular box of claims the first claim appearing at the front of the box will be taken, then the fourth claim, seventh claim, tenth claim, etc., etc. *In no circumstances must any other method of selecting the proportion of one-third be adopted. For example, the taking of a whole of a block of claims in one or more occupations, in order to make up one-third of the claims current, is strictly forbidden.*" Similarly, in the one per cent. enquiry "the most difficult part of the undertaking was that of ensuring a random sample which should be at once rigid as regards the basic principles of sampling and at the same time elastic as regards non-essentials where latitude was necessary in order that the work of interviewing might not be delayed by the non-appearance of the selected claimants. Various suggestions for obtaining an unbiased sample were considered, but "random selection governed by either time or circumstance seemed, however contrived, beset with possibilities of bias, and the conclusion was reached that the selection must be based in principle upon the "tabbing" of every hundredth claim in the live claims file at each Exchange and inviting that claimant when next he appeared at the Exchange to attend in the manager's room for interview." The files at the Exchanges are kept in a uniform occupational order, and to avoid occupational bias each Exchange was given a different starting-point. A week was allowed for the whole work of interviewing, writing and despatching the reports, and as it was considered that no manager could deal personally with more than 30 interviews the percentage at the larger Exchanges had to be reduced to below 1 in 100 and raised correspondingly in the smaller ones. The sample actually taken consisted of 0.96 per cent. of the men claimants, 1.57 per cent. of the boys, 0.84 per cent. of the women and 1.19 per cent. of the girls.

For a number of technical reasons "the results of the large-sample enquiries cannot be used to demonstrate within what limits the deviation from representativeness of the small-sample exceeds the deviation to be expected according to statistical principles in a one per cent. sample. None the less, the comparison suffices to demonstrate that the one per cent. sample is nowhere very wide of the mark and has answered most of its purposes quite as well as a ten per cent. or thirty-three per cent. enquiry would have done." Five tables and two graphs are appended comparing the three results obtained. These reveal, in general, a close correspondence; the 1 in 100 sample improves in reliability as the absolute numbers increase, but is shown to be untrustworthy where very small numbers are involved.

# ECONOMIC SURVEY

**(The following Survey is strictly impartial both in content and in selection, and is in no way subject to the influence of Editorial opinion.)**

## FRANCE

### POLITICAL AND GENERAL

**Foreign Trade Policy of the Government.**—The French Government, following the example of England and Belgium, has unexpectedly decided, as from Oct. 1, to levy the duty of 26 per cent. ad valorem authorised by the Act of April 1921, which has hitherto remained inoperative, on all goods imported from Germany. This decision, says the *Agence Economique et Financière*, coming at the very moment when, according to official information, negotiations were about to be opened with a view to the conclusion of a commercial agreement with Germany, has been received with mixed feelings in France. Contrary to prevalent opinion, Germany buys more from France than she sells to her, the balance in favour of the latter country amounting to Fr.400 mill. for the first seven months of the year. To subject to an import duty certain articles of primary necessity produced by Germany at the very time that the Government is holding special meetings to counteract the high cost of living does not appear to be particularly opportune. It is part of the understanding that the Berlin Government will refund to German exporters in marks the amount of the duty paid at the French Customs. But is it really believed that this will not have the effect of reducing the imports of goods so affected? And should the decision further entail a reduction of French exports to Germany, it is not the French franc that will be benefited. Although it is confidently asserted that M. Raynaldy himself was not in favour of a commercial agreement with Germany, it must not be assumed on the strength of the decision that has been arrived at that the Government is absolutely opposed to a policy of commercial agreements. Is it not rather more reasonable to suppose that before opening the negotiations announced by the Government M. Raynaldy deemed it useful to create what in diplomatic language is understood as a medium of exchange? That would be to adopt in economic affairs the policy pursued by M. Poincaré, according to the powers that be, in politics.

The 26 per cent. ad valorem duty is to be levied (*a*) on goods of German origin or manufacture imported directly from Germany or through another country; (*b*) on goods, whatever their origin, coming from German warehouses or from the German home market; (*c*) on goods purchased abroad and exported from Germany; and (*d*) on goods produced, manufactured or partly manufactured in other countries and in which German raw material and labour represent at least 50 per cent. of the value.

The constitution of a committee to enquire into the various methods of resuming friendly relations with Russia is officially announced as follows: M. de Monzie, Senator, chairman; M. Noulens, an ex-Minister and President of the Committee of the Association for the Protection of French Interests in Russia; M. Ivon Delbos, Deputy; M. Fromageot, legal adviser to the Ministry of Foreign Affairs; and M. Grenard, Chief of the Russian Affairs section of the Ministry of Foreign Affairs.

### FINANCE

**Rumoured New French Loan.**—The New York correspondent of the *Information Financière* (Sept. 26) writes that in all probability a French loan of several hundred million dollars will be floated on the American market as soon as, or very soon after, the German loan of Mk.800,000,000 gold has been absorbed. The matter was taken into consideration in official circles in Washington on September 10, and although no definite terms have been fixed the negotiations are progressing very satisfactorily. The chances of success of this loan will naturally depend on the result of the German loan, the greater part of which will be issued in the United States. If the result corresponds with the hopes entertained in Wall Street, a campaign will be organised with the object of showing that the security offered by France is at least as good as that furnished by Germany, and the issue of the bonds will take place immediately after the necessary feeling of confidence has been created among the eventual subscribers. This campaign will be an easy matter, all the more so as in quarters favourable to France it is rightly thought that, if only from a sentimental point of view, this country is as deserving of direct assistance in the restoration of its economic and financial position as any enemy country. For this reason great interest has been evinced in the fate of the various small loans floated by the French railways (such as the Paris–Orleans 7½ per cent. loan), which served as so many feelers from which the attitude of the whole body of American capitalists could with certainty be ascertained. These financiers, however, would appear to hold very definite views as to the disposal of the funds to be placed at the disposal of Germany in carrying out the Dawes Plan, and it will be wise to take these into account. They understand perfectly that the object of this plan is to furnish the means of establishing a Gold Bank, and at the same time to ensure indirectly the payment of reparations; but they refuse to allow the Mk.800,000,000 gold of which they will contribute the largest share to be used either wholly or in part for the direct repayment of war damages. In their opinion the funds will have to be deposited in the strongrooms of the Gold Bank to serve as a basis for a strictly controlled issue of paper money. This paper money will relieve the financial situation in Germany itself, will give fresh life to the banking establishments, and may incidentally be used to pay for the purchase of foreign goods, naturally as far as possible of American origin. The general situation will necessarily be improved, and as a consequence there will be an increase of taxes and duties, which will go in part to the payment of reparations to the Allied Powers. Those are the real views of the prospective subscribers of the German loan. This will probably yield 8½ per cent., say 8 per cent. of real interest, and the issue price will be 4 per cent. below the nominal value of the bonds. The loan will most likely be floated towards the middle of October, and if the result is up to expectations the French loan will be floated on similar terms about the middle of December. In circles hostile to French interests it is pointed out that the sums owing by France to the United States are already in excess of her capacity of payment; and, moreover, that a campaign has been conducted and is still being pursued in certain organs of the French Press tending towards repudiation pure and simple of war debts, and that it would be folly to extend fresh loans to a debtor whose good faith is questionable. It is evident, therefore, that if we are to retain the goodwill of Wall Street and of American bankers in respect of future loans the war debts question under any circumstances must only be broached with the greatest possible caution. Although the proposed loans are of a different type altogether, their success is just as much dependent on the confidence which the United States capitalists may have in our solvency and good faith.

**Revenue Returns.**—The Revenue returns for the first eight months of the year have reached a total of Fr. 17,195,696,750, made up as follows:—

| | |
|---|---|
| January ... ... ... ... | Fr.2,296,064,600 |
| February ... ... ... ... | 1,980,335,500 |
| March ... ... ... ... ... | 2,110,642,950 |
| April ... ... ... ... ... | 2,399,707,400 |
| May ... ... ... ... ... | 1,968,611,200 |
| June ... ... ... ... ... | 2,122,133,400 |
| July ... ... ... ... ... | 2,529,693,700 |
| August ... ... ... ... ... | 1,788,508,000 |

The yield from the various sources during the eight months has been as follows:—

| | |
|---|---|
| Direct taxation ... ... ... | Fr.2,886,942,300 |
| Indirect taxation and monopolies ... | 12,869,686,500 |
| Domains ... ... ... ... | 113,955,700 |
| War profits tax ... ... ... | 1,081,201,700 |
| Liquidation of stocks ... ... ... | 31,828,700 |
| Regulation receipts and others ... | 212,081,850 |

The August returns in respect of the General Budget (*i.e.* exclusive of the Post Office receipts) were the lowest for any month this year, viz. Fr.1,788,508,000. Of this sum exceptional revenue, regulation receipts and others contributed Fr.98,434,900, and Fr.76,008,300 of this amount was derived from the extraordinary war profits tax. The normal permanent revenue, therefore, reached a total of Fr.1,690,073,100 as against Fr.2,421 mill. in July, Fr.2,001.5 mill. in June and Fr.1,700.5 mill. in May. As compared with August 1923 the returns, low as they are, show a substantial surplus. Thus direct taxation yielded Fr.239,117,700, or a surplus of Fr.15,977,100; domains Fr.14,773,400, or a surplus of Fr.1,296,100; and in direct taxation and monopolies Fr.1,455,582,000, or a surplus of Fr.246,362,000. It may be added that the administration of the Post Office gave a return of Fr.119,647,000, or Fr.23,629,000 more than in the corresponding month of last year. (*Journée Industrielle.*)

## TRADE

**Foreign Trade Returns.**—The foreign trade returns for August show imports amounting to Fr.3,071.9 mill. and exports Fr.2,967.1, which gives an adverse trade balance of Fr.104.8 mill. The following table supplies the usual analysis (in thousands of francs):—

*Imports.*

| | 1924. | 1923. | Difference. |
|---|---|---|---|
| Foodstuffs ... ... | 823,508 | 645,158 | + 178,350 |
| Raw material ... | 1,883,311 | 1,630,663 | + 252,648 |
| Manufactured goods | 365,124 | 349,422 | + 15,702 |
| Total ... | 3,071,943 | 2,625,243 | + 446,700 |

*Exports.*

| | 1924. | 1923. | Difference. |
|---|---|---|---|
| Foodstuffs ... ... | 262,464 | 252,338 | + 10,126 |
| Raw material ... | 671,741 | 722,203 | — 50,462 |
| Manufactured goods | 1,877,156 | 1,416,976 | + 460,180 |
| Postal packets ... | 155,785 | 94,834 | + 60,951 |
| Total ... | 2,967,146 | 2,486,351 | + 480,795 |

(*Journée Industrielle.*)

## INDUSTRY

**The Coal Output in July.**—The total output of the French collieries in July consisted of 3,784,079 t. of coal and lignite, 224,633 t. of coke and 266,097 t. of briquettes as compared with 3,496,496 t., 212,220 t., and 241,525 t. respectively in June. The following table supplies an analysis of the returns from the various mineralogical arrondissements, the principal basins being indicated:—

| | Coal. Tons. | Lignite. Tons. | Coke. Tons. | Briquettes Tons. |
|---|---|---|---|---|
| Arras (Pas-de-Calais) ... | 1,591,207 | — | 96,493 | 34,688 |
| Douai (Nord) ... ... | 584,143 | — | 70,605 | 109,154 |
| Strasburg (Moselle) ... | 451,262 | — | 10,579 | — |
| Saint-Etienne (Laire) ... | 347,068 | — | 32,418 | 17,731 |
| Lyons (Blanzy, La Mure) | 242,149 | 562 | — | 22,511 |
| Alais (Alais, Graissessac) | 182,764 | 1,941 | — | 58,735 |
| Toulouse (Carmaux,Aubin) | 167,919 | 207 | 11,714 | 11,715 |
| Clermont-Ferrand (Saint-Eloy, Brassac) | 120,367 | 207 | — | 7,934 |
| Marseille (Fuveau) ... | 1,840 | 72,433 | — | 828 |
| Nancy (Ronchamp) ... | 10,378 | — | 2,824 | — |
| Bordeaux (Ahun) ... | 8,904 | 623 | — | 2,645 |
| Nantes (Vouvant, Le Maine) | 5,105 | — | — | 156 |
| Total ... ... | 3,708,106 | 75,973 | 224,633 | 266,097 |

The figures relating to coal and lignite in the above table are exclusive of useless waste. (*Journée Industrielle.*)

**Output of the Metal Mines.**—The development of the metal mines shows continued activity, as is evidenced by the returns for the first six months of the year as compared with the whole year's output for 1923. The following are the figures (in tons):—

| | Jan. to June 1924. | Jan. to Dec. 1923. |
|---|---|---|
| Iron ore ... ... | 13,331,199 | 23,428,160 |
| Potassium ore ($K_2O$) ... | 134,972 | 348,704 |
| Asphalt ... ... | 22,602 | 35,650 |
| Bauxite ... ... | 617,518 | 304,330 |
| Iron pyrites ... ... | 92,791 | 186,385 |
| Antimony ore ... ... | 1,705 | 2,135 |
| Arsenic ore ... ... | 5,383 | 4,245 |
| Gold ore ... ... | 31,529 | 50,548 |
| Lead ore ... ... | 13,340 | 19,140 |
| Zinc ore ... ... | 7,964 | 10,940 |
| Manganesium ore ... | 1,723 | 335 |

There is a general increase in output and in no branch of the industry is there any sign of slackness. As a matter of fact, the output would have been on a considerably larger scale had the necessary labour been available, but unfortunately, in spite of the large number of foreigners engaged in mining, it is found impossible to obtain the man-power required.

As regards iron ore, the results obtained point to an output for the full year exceeding that for 1923 by two million tons. There is likely to be a slowing down in the production of potassium salts unless the new agreement with the Kalisyndikat leads to increased sales in the second half of the year. The advance made in the production of bauxite is due to the flourishing state of the aluminium industry, and no doubt also to ready demand for the manufacture of aluminium cement. The output of pyrites is being well maintained, but that of antimony ore shows a falling off, while the production of arsenic ore is largely on the increase in spite of the fact that the arsenious acid market shows unmistakable signs of weakening.

Although the gold mining industry in France shows a steady advance, strangely enough much less is heard about it, now that the concessions are being worked and the ore is being treated in the works, than during the prospecting stage, when every newspaper had a standing headline under which discoveries of the smallest traces of gold were loudly trumpeted forth.

Thanks to the rise in the price of lead the output of lead ore has made considerable progress. At the same time, it is not unlikely that the figures given do not represent the ideal ore of days gone by, for nowadays there is no fixed standard of purity, and any lead earth finds buyers. The same remark applies to zinc ore, the output of which is steadily increasing in the various small mines scattered round the Central Plateau. (*Echo des Mines et de la Métallurgie.*)

# GERMANY

## FINANCE

**Reduction of Rates of Interest.**—The reduction of the discount rate of the Deutsche Golddiskontbank from 10 to 8 per cent., writes Herr Georg Monch in the *Vossische Zeitung*, requires serious consideration since this measure constitutes a proof that the period of abnormal conditions of credit is gradually approaching its end. Calls for credit on the Bank have declined of late without ever having overstepped the limits of possibility. Its rediscount credits abroad need only be withdrawn to a limited extent, since the Reichsbank was itself in a position to do the rediscounts of the Golddiskontbank. The following figures show the credits granted to the Golddiskontbank and its liabilities (in rediscounts) at the given periods (*a*) in pounds sterling, (*b*) as converted into million gold marks:—

1924: April 30 (*a*) 585,189, (*b*) 11; May 31 (*a*) 5,384,860, (*b*) 102; June 30 (*a*) 10,784,750, (*b*) 204; July 31 (*a*) 13,806,600, (*b*) 261; August 30 (*a*) 13,651,500, (*b*) 255; Sept. 15 (*a*) 13,200,000, (*b*) 250.

The original capital of the bank amounts to £10,000,000, of which the Reichsbank subscribed half from a loan of like amount obtained abroad, while the other half was provided by the leading German banks in the form of sound currencies. To these amounts must be added the rediscount credits granted by foreign banks and amounting to some 15 million sterling. In all the bank disposes of some 400 million gold marks, while the total advances amount to just 250 million. As a matter of fact conditions in the German money market are much more favourable, because, as above stated, rediscounts, owing to the improved currency, are conducted to a great extent by the

Reichsbank instead of abroad. Thus the Golddiskontbank holds considerable reserves in appreciated foreign currencies at the disposal of German commerce and industry. In order to induce commerce and industry to avail itself of this reserve, the discount rate has, since the foundation of the bank, been reduced from 10 per cent. to 8. If the bank wishes to give full effect to this reduction of interest, it must strive to induce the business circles which it serves to apply to it directly to the fullest extent.

No less important is this reduction of the discount rate for the issue of the 800 million gold mark loan. The 2 per cent. reduction of discounts by the Gold Discount Bank signifies a far-reaching alleviation of business conditions since it will be aided in effectively reducing the cost of exchange transactions. The more general the reduction of loan rates on appreciated currencies, the greater the confidence created abroad in Germany's financial situation.

It is true that the Reichsbank as stated by Dr. Schacht at a recent meeting of the board of the Golddiskontbank, is not contemplating any reduction of its discount rate for the present. Its policy of supporting business in the interest of price reduction will rather for the time take other forms such as the raising of the amount of discount business by 10 per cent. and the extension of the time allowed for the maturing of bills on goods from seven weeks to three months. The latest report of the Reichsbank, that of Sept. 6, shows a further increase of its most important account, that of Rentenmark bills from 973 mill. gold marks at the end of July to 1,080 mill. at the end of August. Further, it held paper mark bills to the value of 817 mill. (gold) as against 825 mill. at the end of July, while its loans on security stand at 44.3 mill. (gold) as against 52.5 mill. at the end of the previous month. On the other hand the balance standing to the credits of the Reich and the State have fallen from 452 to 296 millions, while private credit balances have risen from 290 to 359 millions.

Thus it may be gathered that the Reichsbank procures for itself temporary resources on the one hand by the sale of its bills to public financial institutions, while on the other it obtains bills in foreign currencies from the Golddiskontbank. This skilful double acting commission business operates for a greater concentration of credit transactions in the central banking institution, which for a long time had almost disappeared. It can only be completed when commerce is sure of discounting its valid bills with the Reichsbank.

**Savings Bank and Other Deposits.**—The Berlin municipal bank is one of the few banks which periodically publishes the position of its deposits. These were for the first four months of the current year as follows (in gold marks):—

| 1924. | Savings Deposits. | Current Accounts. | 1924. | Savings Deposits. | Current Accounts. |
|---|---|---|---|---|---|
| Jan. | 1,316,160 | 12,861,060 | May | 4,727,950 | 25,668,551 |
| Feb. | 2,046,035 | 14,939,177 | June | 5,746,058 | 29,341,965 |
| March | 2,856,886 | 24,093,851 | July | 6,538,557 | 27,468,027 |
| April | 3,484,751 | 19,038,121 | Aug. | 7,499,124 | 28,712,186 |

(*Frankfurter Zeitung.*)

## TRADE

**Foreign Trade Returns.**—The following tables show Germany's foreign trade for August in value and weight, but inasmuch as the trade returns from the occupied territory are, as in previous months, incomplete, the figures should be accepted with reserve.

*Value* (in 1,000 gold marks current value).

*Imports.*

| Class of goods. | August. | 1924. July. | Jan.–Aug. |
|---|---|---|---|
| Livestock ... ... ... | 4,945 | 3,173 | 52,606 |
| Foodstuffs and beverages | 152,426 | 151,414 | 1,337,545 |
| Raw material ... ... | 148,317 | 198,032 | 2,351,892 |
| Semi-manufactures ... | 42,371 | 46,245 | 529,277 |
| Finished goods ... ... | 89,141 | 140,729 | 1,154,171 |
| Gold and silver ... ... | 11,023 | 16,896 | 60,906 |
| Total ... ... | 448,223 | 565,489 | 5,486,397 |

*Exports.*

| | | | |
|---|---|---|---|
| Livestock ... ... ... | 1,957 | 809 | 5,378 |
| Foodstuffs and beverages | 50,398 | 48,894 | 249,922 |
| Raw material ... ... | 43,835 | 40,749 | 254,674 |
| Semi-manufactures ... | 37,054 | 36,438 | 254,647 |
| Finished goods ... ... | 454,718 | 445,369 | 3,215,224 |
| Gold and silver ... ... | 1,430 | 1,102 | 10,135 |
| Total ... ... | 589,392 | 573,361 | 3,989,980 |

*Weight* (in double centners; a double centner = 220 lb.).

*Imports.*

| Class of goods. | August. | 1924. July. | Jan.–Aug. |
|---|---|---|---|
| Livestock *... ... ... | 46,460 | 22,729 | 387,570 |
| Foodstuffs and beverages ... | 3,566,511 | 3,843,224 | 33,520,112 |
| Raw material ... ... | 14,395,364 | 23,362,819 | 160,622,868 |
| Semi-manufactures ... | 2,123,343 | 2,735,735 | 21,619,402 |
| Finished goods ... ... | 701,542 | 1,264,026 | 9,828,581 |
| Gold and silver ... ... | 2,531 | 2,248 | 10,817 |
| Total ... ... | 20,835,751 | 31,230,781 | 225,989,350 |
| Add horses ... ... | 252 | 403 | 14,400 |

*Exports.*

| | | | |
|---|---|---|---|
| Livestock *... ... ... | 21,911 | 8,554 | 43,208 |
| Foodstuffs and beverages | 2,143,063 | 2,444,593 | 11,528,193 |
| Raw material ... ... | 4,647,205 | 3,676,385 | 24,831,269 |
| Semi-manufactures ... | 2,793,770 | 2,620,668 | 17,597,408 |
| Finished goods ... ... | 3,396,901 | 3,233,898 | 25,077,092 |
| Gold and silver ... ... | 86 | 92 | 722 |
| Total ... ... | 13,002,936 | 11,984,180 | 79,077,892 |
| Add horses ... ... | 227 | 35 | 429 |

* Exclusive of horses.

(*Berliner Börsen-Zeitung.*)

**Foreign Trade in Metals.**—According to the official returns, Germany's trade in metals was well maintained in June 1924, but in view of the economic crisis a decline in imports must be expected in the succeeding months. Imports during the first six months of the current year were much lower than in the corresponding period of 1923, and naturally considerably lower than in 1922. On the other hand the export of raw metals with the exception of copper and zinc shows an increase, which does not make for steady business. The following table shows Germany's foreign trade in metals for the first six months of the year, as compared with the corresponding period of the preceding year (in tons):—

| | Import. | | Export. | |
|---|---|---|---|---|
| | 1924. | 1923. | 1924. | 1923. |
| Copper ... ... | 44,031 | 50,595 | 5,650 | 6,366 |
| Zinc ... ... | 16,903 | 19,817 | 3,092 | 3,392 |
| Lead ... ... | 15,340 | 17,206 | 5,608 | 3,693 |
| Tin ... ... | 3,973 | 3,327 | 1,557 | 402 |
| Aluminium ... | 2,579 | 2,334 | 440 | 39 |
| Nickel ... ... | 756 | 859 | 225 | 89 |
| Antimony ... | 663 | 795 | 33 | 25 |

The copper import in June was 10,075 t. as against 10,809 in May and 7,177 t. in June of last year. Of this import 9,318 t. or 93 per cent. came from the United States, while the balance was mostly supplied by Great Britain and Sweden. These imports, in view of the declining consumption, are high, and it may be assumed that stocks will be accumulated, since purchasers, owing to the situation of the currency, are not in a position to purchase large quantities. According to American returns, Germany, up to May, was the best consumer of United States copper. The copper exports from the United States to Germany, which amounted to 12,303 t. in April, declined to 4,820 t. in May. During this period brass and tombak imports amounted to 8,961 t. as against 18,514 t. in the previous year, while the import of bronze and other copper alloys rose from 2,656 to 2,743 tons. The export of copper declined from 877 t. in May to 842 t. in June, the chief purchasing country being Czecho-Slovakia, which took 2,061 t. Copper semi-manufactures were exported to the amount of 6,458 t. as against 3,076 t. in the corresponding period of 1923, 50 per cent. of which went to British India. Of the increased export of semi-manufactures of brass, bronze and tombak, 60 per cent. went to British India. The export of copper wire amounted to 1,324 t., as against 1,252 t., going principally to Great Britain and Denmark.

The import of raw zinc was more than doubled as compared with the preceding month. This increase is due to the loss of Upper Silesia, which was Germany's

chief centre of output. The import of sheet zinc amounted to 7,182 t. as against 6,781 t., of which 2,098 t. were imported in June. The export of zinc goods amounted during the half year to 522 t. as against 777 t. in the corresponding half of 1923, Great Britain with 203 t. and the United States with 76 t. being the chief importers.

The import of lead was nearly doubled in June, which is not surprising in view of the increased lead shortage in the country. The export of unwrought lead rose from 860 t. in May to 1,642 t. in June, the surplus going to Holland. For the first six months of the year the export of lead amounted to 5,608 t., of which 1,343 t. went to Czecho-Slovakia and 1,102 t. to Sweden. Of other lead exports, rolled lead amounted to 745, as against 6,541 in the preceding half-year, pipes and rough lead-work to 690 t. as against 863 ; artistic superfine lead goods, 660 t. as against 649 t., and printing types 609 t., as against 7,331 t., the bulk going to Brazil and Sweden.

Zinc imports during the half year amounted to 3,973 t. as against 3,327 t. in 1923. Exports were four times that of the corresponding half year of 1923, the bulk going to America, which imported 487 t. as against 248 t. by Great Britain and 171 t. by Austria.

The aluminium import rose from 591 t. in May to 698 t. in June, making the total import for the first six months of the year 245 t. higher than in the corresponding period of the preceding year. The export of raw aluminium was small, export licences being accorded only after the needs of German manufacturers had been satisfied. The export of manufactured goods for the half year were semi-manufactures, 1,457 t. as against 1,491 t., 671 t. going to Switzerland and 358 t. to British India ; finished goods 1,781 t. as against 2,523 t., the decline being due to high prices, and high cost of production. The chief markets were Switzerland, Holland, Britain and Denmark.

Nickel was imported from the United States and Great Britain in equal shares. The export of nickel goods amounted to 151 t. as against 321 t. during the first half of 1923.

The import of gold increased from 527 kg. in 1923 to 3,088 kg., the increase being due partly to purchases by the Reichsbank and partly to the revival of the goldsmiths' industry. The export of goldsmiths' wares amounted to 3,818 kg. as against 5,519 kg. (*Metal und Erz.*)

## SOCIAL AND LABOUR CONDITIONS

**Strikes and Lockouts in 1923**—Strike statistics for 1923 were for the first time compiled from the returns of Labour reports instead of from police reports. This innovation renders comparison with the returns of previous years somewhat difficult. For instance, the heavy decline in the number of labour disputes is attributable to the fact that hitherto local police authorities have counted parts of large strike movements as independent strikes, and thus have shown double results. On the other hand, it has been ascertained that the number of working days lost by strikes and lockouts differs but little from those given in previous computations. One great factor in the discrepancy between these figures is the absence of returns for the strikes in the Ruhr during 1923.

The number of political strikes, which reached their climax in 1920, has rapidly declined. The working days lost in economic strikes, in comparison with the previous year, has declined by 50 per cent. The number of industries affected was practically the same, the total number of strikers showing a slight decrease. The tendency already discernible in the previous year towards short strikes and towards their concentration on the large industries still continues. In 1923 the average working days lost by each individual striker was 7.4 as against 15 in the previous year and 31 the average from 1899 to 1913. The duration of strikes has declined by 25 per cent. as compared with pre-war years.

The following table gives the figures relating to strikes and lockouts in the year under review :—

| Industries affected. | No. of strikes. | No. of works affected. | 1,000 strikers. | Working days lost. 1,000 | per cent. | per head. |
|---|---|---|---|---|---|---|
| *Economic strikes.* | | | | | | |
| Mining and smelting ... | 140 | 616 | 314 | 2,399 | 21.24 | 7.44 |
| Quarries ... | 238 | 1,002 | 61 | 773 | 7.01 | 12.66 |
| Metal works ... | 111 | 1,996 | 237 | 1,599 | 14.52 | 6.75 |
| Engineering ... | 250 | 1,111 | 151 | 1,234 | 11.21 | 8.16 |
| Chemicals ... | 36 | 211 | 16 | 107 | 0.97 | 6.77 |
| Textiles ... | 110 | 340 | 93 | 502 | 4.56 | 5.41 |
| Paper ... | 33 | 216 | 28 | 163 | 1.48 | 5.92 |
| Leather ... | 38 | 273 | 39 | 17 | 0.16 | 4.36 |
| Wood & timber | 242 | 3,310 | 59 | 854 | 7.75 | 14.45 |
| Food ... | 95 | 884 | 26 | 128 | 1.17 | 5.01 |
| Clothing ... | 40 | 307 | 13 | 163 | 1.48 | 12.43 |
| Building ... | 251 | 4,122 | 95 | 878 | 7.97 | 9.24 |
| Opticians' work | 45 | 1,118 | 47 | 194 | 1.76 | 4.16 |
| Commerce ... | 63 | 1,672 | 49 | 219 | 1.99 | 4.46 |
| Transport ... | 83 | 2,790 | 47 | 151 | 1.37 | 3.21 |
| Catering ... | 4 | 203 | 0.6 | 5 | 0.05 | 7.98 |
| Various ... | 99 | 1,313 | 247 | 1,687 | 15.31 | 6.82 |
| Total industrial strikes ... | 1,878 | 21,484 | 1,488 | 11,014 | 100.00 | 7.40 |
| Agriculture and forestry ... | 70 | 2,526 | 124 | 1,522 | — | 12.32 |
| Clerks ... ... | 40 | 1,300 | 47 | 261 | — | 5.52 |
| Total 1923... | 1,988 | 25,310 | 1,659 | 12,797 | 84.35 | 7.72 |
| „ 1922... | 4,764 | 47,057 | 1,750 | 24,543 | 83.93 | 14.03 |
| „ 1921... | 4,426 | 54,765 | 1,339 | 23,038 | 76.62 | 17.21 |
| „ 1920... | 4,274 | 46,862 | 1,467 | 16,333 | 30.13 | 11.13 |
| „ 1919... | 4,030 | 37,873 | 2,111 | 34,512 | 71.80 | 16.35 |
| Lockouts. | | | | | | |
| Total 1923... | 174 | 2,795 | 121 | 1,342 | 8.85 | 11.11 |
| „ 1922... | 437 | 5,726 | 220 | 4,351 | 14.88 | 19.81 |
| „ 1921... | 362 | 2,993 | 202 | 3,278 | 10.90 | 16.24 |
| „ 1920... | 118 | 1,426 | 94 | 1,370 | 2.53 | 14.51 |
| „ 1919... | 38 | 1,060 | 32 | 620 | 1.29 | 19.12 |
| Political strikes. | | | | | | |
| Total 1923... | 47 | 3,506 | 318 | 1,033 | 6.80 | 3.24 |
| „ 1922... | 160 | 4,824 | 352 | 346 | 1.19 | 0.98 |
| „ 1921... | 435 | 2,768 | 502 | 3,752 | 12.48 | 7.47 |
| „ 1920... | 4,408 | 149,535 | 6,762 | 36,504 | 67.34 | 5.40 |
| „ 1919... | 902 | 12,871 | 2,563 | 12,935 | 26.91 | 5.05 |
| All Labour conflicts. | | | | | | |
| Total 1923... | 2,209 | 31,611 | 2,098 | 15,172 | 100.00 | 7.23 |
| „ 1922... | 5,361 | 57,607 | 2,322 | 29,241 | 100.00 | 12.60 |
| „ 1921... | 5,223 | 60,526 | 2,042 | 30,068 | 100.00 | 14.72 |
| „ 1920... | 8,800 | 197,823 | 8,324 | 54,207 | 100.00 | 6.51 |
| „ 1919... | 4,970 | 51,804 | 4,706 | 48,067 | 100.00 | 10.21 |

(*Wirtschaft und Statistik.*)

# GREECE

## TRADE

**Foreign Trade in 1923.**—The following figures show the country's foreign trade for last year as compared with the two preceding years (in millions of drachmæ) : 1921, imports, 1,725.6 ; exports, 945.7 ; balance, —779.8. 1922, imports, 3,078.5 ; exports, 2,452 ; balance, —626.4. 1923, imports, 6,035.3 ; exports 2,545.1 ; balance, —3,490.2.

The mentioned debit balance for 1923 is not, according to *Oikonomologos Athenon*, which supplies these figures, as large as it appears at first sight, since the above figures represent paper drachmæ, which converted into gold drachmæ on the basis of the average rate for the year 1923 of the exchange on London, of 296 drachmæ, gives the real trade balance as follows (in millions of gold drachmæ) : imports, 509.6 ; exports, 214.9 ; balance, —294.7. The following figures show the *adverse* trade balance for the last ten years (in millions of drachmæ) (*a*) paper, (*b*) gold :—

1914, (*a*) 140, (*b*) 140 ; 1915, (*a*) 71, (*b*) 71 ; 1916, (*a*) 245, (*b*) 245 ; 1917, (*a*) 110, (*b*) 110 ; 1918, (*a*) 437, (*b*) 437 ; 1919, (*a*) 882, (*b*) 818 ; 1920, (*a*) 1,467, (*b*) 824 ; 1921, (*a*) 842, (*b*) 259 ; 1922, (*a*) 600, (*b*) 94 ; 1923, (*a*) 3,490, (*b*) 295. From these figures it will be seen that the adverse trade balance reached its maximum of 824 gold drachmæ in 1920 and its minimum of 94 two years later.

The unsatisfactory trade balance for 1923 is due partly to the import of large quantities of foreign wheat and coal, and partly to the lack of a corresponding increase in the export of tobacco, which was hampered

by heavy export duties. Another factor in this adverse balance is the violent fluctuations of the exchange, which particularly affect export.

The value of imports in 1923 as compared with 1922 (in brackets) was distributed among the various exporting countries as follows (in millions of paper drachmæ): United States, 1,221.4 (676.7); Great Britain, 862.6 (444.8); Italy, 447.7 (275.9); France, 428.5 (200.8); Rumania, 311 (114.6); Germany, 275.4 (184.3); Turkey, 198.8 (89.9); Yugo-Slavia, 184.2 (80.6); Belgium, 177.6 (101.1); Egypt, 172.8 (166.8); Bulgaria, 107.4 (75.6); Holland, 100.7 (56.7); Russia, 94.1 (1.3); Switzerland, 22.1 (10.3); Sweden, 16.6 (12.4); Austria, 16 (8.2); Norway, 9.1 (3.4); Spain, 8.1 (9.9); other countries, 1,320.4 (571.7).

The value of the three main classes of imports was (in millions of paper drachmæ): livestock and foodstuffs, 3,248.7; raw material for industry, 683.7; manufactured goods, 2,102.8.

Greece's exports for the year were distributed among her customer countries as follows (in millions of paper drachmæ); Great Britain, 703.3; Germany, 473.9; Italy, 319.3; United States, 242.5; Egypt, 129.3; France, 122.9; Austria, 74.3; Belgium, 66.7; Yugo-Slavia, 45.4; Bulgaria, 40.3; Rumania, 36.6; Turkey, 29.6; Sweden, 4.2; Norway, 3.5; Switzerland, 1.9; Spain, 0.3; Russia, 0.1; other countries, 66.

The value of the chief classes of exports was (in millions of paper drachmæ): livestock and foodstuffs, 1,192.2; raw material for industry, 1,168; manufactured goods, 184.8; total, 2,545.1.

**Commercial Relations with Germany.**—It is stated that, among other provisions contained in the recently signed commercial treaty with Germany, German vessels plying to Greek ports shall be placed on an equality with Greek vessels, moreover the more important German goods imported into Greece shall benefit by the most favoured nation clause, which equally applies to Greek products imported into Germany, and in addition no limit is placed on the quantity of Greek wine imported into Germany. Greek tobacco remains subject to the regulations hitherto in force. Finally, it is reported that the treaty remains in force for six months and will then be automatically prolonged by periods of three months. The treaty comes into operation from the date of its ratification by the legislative bodies.

According to the reports of the Greek Chamber of Commerce and the Greek Legation in Berlin, it has been decided that Greek muscatel wines are to be placed in the same category as Spanish "Muskateller" wines as to which provision was made in the Hispano-German commercial treaty. In accordance with this decision, Greek muscatel wines will henceforth be subject to the same customs duties as the Spanish.

The newly-founded Greek Chamber of Commerce in Berlin proposes, for the better accomplishment of its task, to set up branches in the more important commercial centres of Germany. These have already been instituted in Dresden and Leipzig, and the creation of others in Hamburg and Cologne will take place shortly. (*Oikonomologos Athenon.*)

## AGRICULTURE

**Production and Consumption of Tobacco.**—The consumption of tobacco in Greece amounted to 5,369 tons in 1923 as against 6,180 in 1922 and 5,912 in 1921, the total amount delivered to the manufacturers in the first-named year being 2,911,956 kg. in Old Greece and 2,437,822 in the newly-acquired territory. The cause of this decline of consumption is on the one hand the increase of the sale price of pipe tobacco and cigarettes, and consequently of the tobacco leaf required by the manufacturers, and on the other hand the increase of smuggling brought about by high prices. Another burden on tobacco is the excessive taxation which according to the returns published by the Ministry of National Economy produced (exclusive of export duties) 690.5 million drachmæ in 1923, but at a rough estimate only one-third of the tobacco consumed in the country is taxed. According to this estimate, the consumption amounts to 37,000 kg. a day or 13,500,000 a year, but only 5,500,000 kg. a year are taxed, the remainder of the tobacco consumed being contraband. In the large cities alone do smokers consume tobacco from the Government factories, in the country and the small towns all the tobacco consumed is contraband. Thus many agriculturists cultivate no tobacco for sale, but only small quantities for their own consumption.

The chief countries to which Greek tobacco is exported are Germany, the United States, Egypt, Holland, and Italy. The total amount of tobacco exports during the last three years was (in tons): 1921, 2,691; 1922, 32,313; 1923, 19,045. The heavy decline of the export of tobacco, of which the output in 1923 was one of the largest of recent years, is chiefly to be attributed during last year to the fluctuations of the exchange, of the heavy export duties, the timely suppression of which would certainly double the amount exported and consequently reduce the adverse trade balance by some millions of drachmæ, a contention which is supported by fact, since as soon as these duties were reduced the export of tobacco doubled and in the first four months of 1924 nearly equalled that of the whole of the preceding year. The export figures for these four months are as follows (in millions of okes): January, 0.6; February, 2.3; March, 4.1; April, 3.3. The quantity of tobacco exported during 1923 was 19 million "koila"* and its value 910.4 mill. drachmæ, the former being distributed among the leading purchasing countries as follows (in millions of "koila"*): Germany, 7.9; Italy, 2.6; Holland, 1.7; United States, 1.6; Egypt, 1.6; Belgium, 1.1; Austria, 1; Great Britain, 0.2; Finland, 0.1.

The keen competition with which Greek tobacco has to cope from the tobacco of neighbouring countries, Turkey, Bulgaria, etc., has been the subject of bitter complaint in the Press. A writer on the subject urges the formation of tobacco planters' associations for the purpose of holding in check the tendency to excessive taxation on the part of the Government, introducing improved methods of tobacco cultivation by the use of chemical fertilisers suitable to the various soils, and above all by seeking fresh markets for the consumption of their products. In the Morea, Thessaly, Thrace and Macedonia such associations have been formed, which supply their members more easily and advantageously than before with sulphur, agricultural machinery, chemical fertilisers, sulphate of copper and other requirements indispensable to a larger and better yield of their produce. But, as in other branches of cultivation, the associations have remained isolated and have consequently but ill served local interests, and the progress of national agriculture in general. (*Ibid.*)

**The Raisin Trade.**—Last year's output of raisins (including currants) amounted to some 200 million pounds, being consequently 20 to 25 per cent. less than in the preceding year.

Nevertheless, the export of this fruit during the year 1923 amounted to 102,688 tons, valued at 709.1 million drachmæ as against 67,967 tons valued at 366.2 million drachmæ in 1922. According to the latest returns the export for the year Aug. 23, 1923, to Aug. 22, 1924, was 120,602,666 lb., divided among the purchasing countries as follows (in 1,000 lb.): Great Britain, 5,104; Germany 1,297; Holland, 572; Italy, (Trieste), 153; America, 230; Belgium, 36; France 13; Egypt, 17; India, 5.

It is noted with satisfaction that the export of raisins to Great Britain increased from 46,603 tons in 1922 to 79,716 tons in 1923, and that the German market has also become more active, the export to that country amounting to 2,660 tons as against 975 tons in the preceding year.

Of late years Greek raisins have had to sustain competition from Californian and Australian raisins, especially the latter, which in quality are equal, if not superior,

* Koilon = 0.9120 bushel.

to the Greek, but the present annual output of which does not exceed 25,000 tons.

Greek raisins no longer enjoy a monopoly and the danger of competition in the future is serious, unless vigorous efforts be made towards more scientific cultivation and improved quality and methods of preparation. (*Ibid.*)

# ITALY

## POLITICAL AND GENERAL

**Industrial View of the Political Situation.**—The *Stampa* is informed that an important memorandum on actual political problems has been presented to Signor Mussolini by the Confederazione Generale dell'Industria. The terms of the memorandum were decided by the assembly of the Confederazione at Milan at the end of August, when there was a lively and exhaustive discussion on the political and economic situation of the country, and an almost unanimous conclusion was reached. The memorandum is stated to draw a sufficiently realistic picture of the present political situation of Italy and to uncover its most dangerous features. It calls attention to the general preoccupation with the succession of decree-laws on the most delicate matters, and to the doubts in the mind of the country as to the point at which the Government proposes to call a halt in this direction. Reference is made to the injury sustained by the most vital economic interests owing to the present state of uncertainty, anxiety and irritation. The memorandum emphasises, moreover, the adverse effects exercised by the general situation upon the labour guilds, and the disciplinary and economic difficulties with which the employers have to contend owing to the conflict and encroachment of powers in the field of trade unionism. As is well-known, the vast majority of the operatives have remained in the organisations of the Confederazione Generale del Lavoro, whilst the minority in the Fascist organisations are supported by pressure from the Government Party, which seriously embarrasses the employers with the mass of the workers. Such episodes as the recent Valdarno shooting affair compel the employers to ask themselves and the Government how it is possible to regulate the conditions of labour, in the interests both of production and of the workers, if the liberty of industrial organisation continues to be practically annulled by the political interference of the dominant party. Based upon these and other considerations a number of postulates are drawn up, of which the chief are : 1, the necessity of restoring normal political conditions and thereby re-establishing confidence, both at home and abroad, in the authority of constitutional law ; 2, absolute liberty of industrial organisation for the workers, with freedom from all political pressure or interference, also the restoration of the liberty of the Press, and of assembly, as a necessary guarantee for the ordered and peaceful development of the national life ; 3, an effective solution of the Militia problem, as an essential preliminary to the restoration of normal conditions.

**Private Ownership of Telephone Services.**—The firms competing for the State telephones have received from the Ministry of Posts the terms of transfer. As decided some time ago by the Council of Ministers, the system will be sub-divided into concessionary zones for the purposes of private operation. The whole of the "interurban" (i.e. main trunk) service is to be under single control, whilst for the "urban" services there will be five zones, as follows : 1, Lombardy and Piedmont ; 2, the Three Venices ; 3, Emilia, Marches, Romagna, Umbria, Abruzzi and Molise ; 4, Liguria, Tuscany, Latium and Sardinia ; 5, Southern Italy and Sicily. The terms of concession state the price for each zone corresponding to the value of the existing plant, and set out the works which must be completed within two periods of five years. The value of the plant of the five urban zones together is calculated at L.340 mill., and that of the interurban zone at L.170 mill. The cost of the works which the concessionaries must undertake to execute is L.800 mill. for the five urban zones, and L.600 mill. for the interurban. It will be a question of selecting those of the applicants who can give the best guarantees for the fulfilment of their obligations, and it is hoped in Government circles that the concessionaries may be appointed by January 1 next. Amongst the works to be undertaken by the interurban concessionaries will be the laying of an underground cable which will connect at Voghera with the new underground triangle Turin–Genoa–Milan. The cable is to go eastwards via Bologna and Venice to Trieste, and southwards via Florence, Perugia and Rome to Naples, whence it will divide into two sections, one to Bari, and the other to Messina and Palermo. The concessions are to be granted for an indefinite period, but the State reserves the right of resuming ownership at the expiry of twenty years. To meet this eventuality the terms lay down a system of accounting which will make it possible to determine at any moment the value of the plant which the State would have to buy out. The State may also resume ownership in the event of the non-fulfilment of obligations or on other grounds ; in this case the concessionary will only be entitled to such sums in consideration of the plant as may be agreed upon. With regard to personnel a decree has been approved, the terms of which will shortly be published. Meanwhile, there is reason to believe that the new decree, in accordance with the decree of May 4, 1924, will provide for the retention by the concessionary companies for one year of the personnel actually employed by the State and at the same rate of pay. Should they require to reduce their personnel at the expiry of this period the regulations laid down by the new decree will come into force. A Commission will be appointed to decide which part of the personnel shall be retained, and which may be dismissed. At the same time a settlement will be made with respect both to recognition of length of service and to pensions. (*Corriere della Sera.*)

## FINANCE

**Capital Issues in 1924.**—In the first half of 1924 837 new companies have been incorporated with a capital of L.490.8 mill., as compared with 765 and L.439.9 mill. in the first half of 1923. 658 companies increased their capital by L.2,420 mill., as compared with 561 and L.1,799 mill. in the same period of last year. 262 companies, with a capital of L.350.5 mill., went into liquidation, and 187 others reduced their capital by L.259.5 mill. ; in the same period of 1923 187 companies, with a capital of L.244.9, went into liquidation, and 126 reduced their capital by L.383.9 mill. The net increase in capital investment in the first half of 1924 was L.2,300 mill. as against L.1,116 mill. in the first half of 1923, and is larger than for the whole of either 1921 or 1922. The most conspicuous net increase is shown by the textile group of industries (over L.485.5 mill.), mainly on account of the vast development of the artificial silk branch. Other industries showing a notable increase are the electrical (L.352.5 mill.), the credit institutions (L.319 mill.), and the metallurgical (L.244 mill.) (*Bollettino di Notizie Economiche.*)

**Increase in Coffee and Sugar Taxes.**—A fresh increase in the taxes on the consumption, manufacture or importation of coffee, coffee substitutes and sugar came into force on Sept. 16. The increase is equivalent to one lira per kg. on sugar and three lire per kg. on coffee. The reason officially given is that it is necessary to recoup the State Finances for the loss due to the abolition of the tax on the consumption of wine. It is, however, remarked that whereas the consumer will have to pay increased prices for coffee and sugar at once, there will be no immediate reduction in the price of wine as the exemption from the wine tax will have no visible result till the new harvest. It is not yet known what revenue

will be derived from the increased tax, but it has been calculated that the increase on sugar alone should bring in L.325 mill., whilst that on coffee and coffee substitutes will probably raise the total figure to somewhere near L.500 mill. (*Corriere della Sera.*)

**Budget and Treasury Returns for July.**—The following is a summary of the budgetary situation for the first month of the financial year 1924–1925 :—

July 1924.

| | Receipts. Estimated. | Receipts. Actual. | Expenditure. Estimated. | Expenditure. Actual. | Actual Surplus (+) or deficit (—) |
|---|---|---|---|---|---|
| | (Millions of lire.) | | | | |
| Ordinary receipts | 1,335.7 | 1,383.5 | 1,107.6 | 1,065.5 | +318.0 |
| Special ... ... | 51.2 | 26.5 | 392.2 | 427.0 | —400.5 |
| Total ... ... | 1,391.5 | 1,414.6 | 1,504.5 | 1,497.2 | — 82.5 |
| Loans and disbursements for railway construction ... | 20.8 | 20.8 | 20.8 | 20.8 | — |
| Capital Account... | 253.8 | 793.0 | 136.5 | 136.4 | +656.6 |
| Grand Total 1924 | 1,666.1 | 2,228.4 | 1,661.8 | 1,654.4 | +574.0 |
| „ „ 1923 | 1,681.0 | 1,803.6 | 1,778.2 | 1,801.4 | + 2.2 |

The following is the Treasury statement of receipts and expenditure for 1924 and 1923 respectively :—

| | July 1924. | July 1923. |
|---|---|---|
| *Ordinary Receipts.* | | |
| Revenue from National Property | 2,928,795 | 1,706,281 |
| Yield of Direct and Indirect Taxation ... ... ... | 919,459,821 | 802,459,821 |
| *Public Services.* | | |
| Posts ... ... ... ... | 48,029,150 | 38,134,733 |
| Telegraphs ... ... ... | 1,018,078 | 1,674,056 |
| Telephones ... ... ... | 28,116,852 | 26,026,210 |
| Sundry services ... ... ... | 5,567,798 | 5,292,621 |
| Repayments and contributions toward cost ... ... ... | 2,248,281 | 2,453,190 |
| Sundry receipts ... ... ... | 30,054,087 | 55,291,955 |
| Total ... ... ... | 1,037,421,766 | 933,646,506 |
| *Special Receipts.* | | |
| Repayments and contributions to expenses ... ... ... | 525,655 | 2,232,498 |
| Sundry receipts ... ... ... | 40,426,642 | 46.947,407 |
| Residual assets ... ... ... | 1,774,260 | 862,367 |
| Total Revenue ... ... | 1,080,148,323 | 983,688,778 |
| *Other Receipts.* | | |
| Railway construction loans ... | — | 4,714 |
| Receipts from sundry loans and expenses ... ... ... | 667,179,993 | 138,184,155 |
| Accountancy balance items ... | 1,999,100 | 5,340,584 |
| Grand Total ... ... | 1,749,327,416 | 1,127,218,237 |
| Total Expenditures ... | 1,611,492,978 | 1,067,047,133 |

(Federation of Italian Industries' *Report.*)

**Savings Deposits.**—Savings deposits both in the ordinary and in the post office savings banks are increasing steadily from month to month as can be seen from the following figures :—

| 1924. | Ordinary Savings Banks. | Monti di Pieta. | Post Office Savings Banks. |
|---|---|---|---|
| 31st January ... ... | 10,823.5 | 688.6 | 9,184.4 |
| 29th February ... ... | 10,996.0 | 700.4 | 9,228.7 |
| 31st March ... ... | 11,085.9 | 711.5 | 9,272.1 |
| 30th April ... ... | 11,194.1 | 727.1 | 9,332.6 |
| 31st May ... ... | 11,326.0 | 742.5 | 9,389.4 |
| 30th June ... ... | — | 746.4 | 9,425.5 |
| 31st July ... ... | — | — | 9,504.3 |

These figures show that, after making due deductions for the depreciation of the currency, Italian savings are considerably larger to-day than in 1913. It should be noted that the savings deposited with Post Office banks form the bulk of the resources on which the Cassa Depositi e Prestiti relies for making loans to provinces, municipalities, and consortiums for carrying out works of public utility. The satisfactory status of these deposit accounts will, it is estimated, enable the Cassa to loan for such purposes over 800 million lire in 1924, thus doubling the amount available in 1923. Such expenditure increases the capital wealth of the country by building roads and aqueducts, improving sanitation, reclaiming waste or poorly cultivated lands, utilising hydraulic power, etc. (*Ibid.*)

## TRADE

**Foreign Trade Returns.**—The trade statistics for June maintain the so far satisfactory record of 1924, exports for the first half year showing an increase of L.1,770,251,900 over those for the corresponding months of 1923.

| | 1924. | 1923. | Difference. |
|---|---|---|---|
| *Imports.* | (Millions of lire.) | | |
| January ... ... | 1,166.4 | 1,060.0 | +108.4 |
| February ... ... | 1,564.7 | 1,576.5 | — 11.8 |
| March ... ... | 1,518.4 | 1,474.1 | + 44.2 |
| April ... ... | 1,564.7 | 1,414.6 | +150.0 |
| May ... ... | 1,547.1 | 1,578.2 | — 31.0 |
| June ... ... | 2,091.3 | 1,960.7 | +130.5 |
| Total ... ... | 9,454.8 | 9,064.4 | +390.3 |
| *Exports.* | | | |
| January ... ... | 840.0 | 786.1 | + 54.0 |
| February ... ... | 1,103.4 | 759.5 | +343.8 |
| March ... ... | 1,215.7 | 880.2 | +335.4 |
| April ... ... | 1,199.2 | 717.4 | +481.7 |
| May ... ... | 1,095.4 | 798.5 | +296.9 |
| June ... ... | 1,218.0 | 959.6 | +258.3 |
| Total ... ... | 6,671.9 | 4,901.7 | +1,770.2 |

The unfavourable trade balance for the first six months of 1924 is thus reduced to L.2,782,832,743 as compared with L.4,162,474,255 on 30th June 1923, i.e. a reduction of L.1,379,914,512.

An analysis of these figures shows that the improvement is largely accounted for by cereals, pulse, potatoes, etc., imports of which declined by L.349 mill., while exports increased by L.259 mill. This is attributable to the exceptionally large crops of 1923. Exports of fresh vegetables and fruit show an encouraging growth, rising from L.353.5 mill. in the first six months of 1923 to over L.510 mill. in 1924. A considerable increase is likewise registered in exports of wines, spirits, etc. (L.191 mill. as against L.106 mill.), in dairy products (L.220 mill. as against L.129 mill.), in meat extracts, eggs, etc. (196 mill. as against 80 mill.).

On the other hand, imports of frozen and chilled meat account for an increased outlay of over L.124 mill. as compared to 1923. Imports of animal and vegetable fats and oils of all kinds have greatly exceeded exports, the figures standing at L.481 mill. and L.179 mill. respectively. It is satisfactory to note that exports of textile fibres and their products exceed imports by L.189.5 mill., indicating the steady growth of the textile industries in Italy. Under this heading exports show an increase of L.750 mill. over the figures for the corresponding period of 1923. The increae is accounted for by cotton goods (+ L.296 mill.), natural and artificial silks (+ L.326 mill.) and woollens (+ L.81 mill.). (Federation of Italian Industries' *Report.*)

## INDUSTRY

**The Artificial Silk Industry.**—The manufacture of artificial silk in Italy has made enormous strides. The "Snia Viscosa" alone has already reached a daily output of 12,000 kg. from its factories at Venaria, Pavia, and Cesano Maderno. The Banca Nazionale di Credito and foreign capitalists (especially French, of the Viscose group) have enabled it to raise its capital from L.350 mill. to L.600 mill., and its daily output will reach 20,000 kg. this year. The "Societa Seta Artificiale Padoya," of Rome, which is now known as the "Societa Generale Italiana della Viscosa," has raised its capital from L.40 mill. to L.60 mill., and is extending its factories at Padua and Rome. The "Soie de Châtillon," an Italian company, of Milan, with factories at Châtillon (Aosta) and Ivrea, has raised its capital from L.30 mill. to L.50 mill., under the auspices of the Banca Commerciale

Italiana. The "Seta Artificiale Varedo" is now working, and another new company has been formed with a capital of L.7½ mill. Comparing the daily production of the "Snia Viscosa" alone with the total daily production of natural silk in Italy, it is evident that the production of artificial silk in Italy will soon be double that of natural silk. The latter is, however, also showing a tendency to develop, and as a result of the breeding of silk worms in Italy and of the importation of cocoons from the Levant, the industry will, in a few years, be in a position to produce 30,000 to 35,000 kg. per day. New factories are now being built with this end in view. (*Nord Industriel.*)

## AGRICULTURE

**The Situation of Agriculture.**—The latest official statistics confirm the estimate which placed the wheat crop of 1924 at 176,368,000 bushels. This figure shows a heavy decline, due to less favourable weather conditions, over the 224,836,000 bushels of the 1923 harvest. The area under corn this year is 4,550,000 hectares, as compared with 4,675,800 h. in 1923.

Wheat imports into Italy during the first ten months of the current year, from August 1, 1923, to May 1924, amounted to approximately 63,000,000 bushels. It seems to be the general opinion of the trade that imports during the remaining two months of the season amounted to at least 8,000,000 bushels a month, bringing the total 1923–24 imports up to approximately 79,000,000 bushels, as compared with imports of 124,000,000 during the 1922–23 season.

Since the 1923 crop amounted to approximately 225,000,000 bushels, it can be seen that the available wheat supply in Italy during 1923–24, exclusive of carry-over stocks from the previous season, approximated 304,000,000 bushels. During 1922–23 when imports amounted to 124,000,000 bushels and the crop was 162,000,000 bushels, the available supply totalled only 286,000,000 bushels. These estimates indicate, therefore, that the 1923–24 supply exceeded the previous season's by 18,000,000 bushels. It is probable, however, that this estimated excess was absorbed by increased consumption, exports, and normal carry-over stocks. Wheat consumption, particularly in the rural districts, has experienced a remarkable increase in Italy since the war. An increase in exports has also been noted during recent years, especially to France and Switzerland. Total exports from Italy during the twelve months ended December 31, 1923, amounted to 23,481 metric tons.

Italian exports of wheat and flour from January 1 to May 31 were as follows :—

| | 1924. | 1923. | 1922. |
|---|---|---|---|
| Wheat, metric tons | 6,463 | 2,033 | 30 |
| Flour „ „ | 60,746.6 | 13,893.3 | 3,295.5 |

A decree enacted in August in view of the world wheat situation prohibits until further orders the exports of wheat, limits exports of flour to a monthly contingent of 10,000 metric tons and reduces the import duty on flour from L.1.50 (gold) per quintal to L.0.65 (gold).

The important sugar beet, silk cocoon, and rice crops o f 1924 promise well. The area planted to sugar beets is 10.6 per cent. larger than in 1923, and 74 per cent. larger than the average for the previous five years. In many districts a yield of 35 tons per hectare is expected, and the total crop is estimated by the trade at a probable 4,000,000 met. tons, which would be 40 per cent. higher than the previous heaviest yield. The output of sugar is likely to exceed 400,000 met. tons as compared to the previous maximum of 315,000 obtained last year. The consumption of sugar in Italy and her colonies is now estimated at 320,000 met. tons, so that if present expectations are realised there will be an exportable surplus of about 80,000 met. tons.

The silk cocoon crop has been very satisfactory, with a yield of 50 mill. kg. of fresh cocoons as compared with 42,580,000 in 1923. The season was favourable and the mulberry leaves sound and plentiful, securing a yield superior both in quantity and quality to that of the previous year. The recognised commercial importance of this crop is bringing it into increasing favour with Italian farmers.

The area under rice this year is 1.3 per cent. over the pre-war average. As a result of systematic educational work performed by the experimental station at Vercelli the selection of seed and the methods of cultivation of this important staple have much improved within recent years. The official estimates foresee a good average yield for 1924. Rice is one of the few agricultural staples which Italy exports. In 1923 over 86,000 tons were sent out of the country, and for the first five months of the current year the figure stood at 64,116 t. as compared with 13,950 for the corresponding period of 1923.

The probable output of wine in 1924 is estimated by experts at 44,000,000 hectolitres as against 53,948,000 in 1923 when the grape crop was a particularly heavy one. The prospects are for a smaller grape crop in Northern and Central Italy, while the yield is likely to be heavier than last year in Apulia and Calabria.

The rye, barley, oats, potato and tobacco crops are all moderate, and show a yield slightly below that of last year. (Federation of Italian Industries' *Report*, *Bollettino di Notizie Economiche.*)

**Crisis in Wine Growing.**—The wine industry in Italy is undergoing a period of severe depression, and has been the subject of a number of articles recently in *Echi e Commenti.* Signor A. Marescalchi, a Deputy, emphasises the national importance of the problem in view of the intimate dependence of the social and economic welfare of rural Italy upon the prosperity of the industry. The capital sunk in the industry is at least L.25 milliards, the annual income is over one quarter of that from the whole of Italian agriculture, and the number of persons directly or indirectly interested is at least 5 millions. Population rises or falls rapidly with the fortunes of the industry in any given district ; wine growing, moreover, involves the breaking up of latifundia into small parcels, which instils a spirit of conservatism in those engaged in it. Apart from the reasons leading to the present crisis there are three general causes which hamper the prosperity of the industry : 1, Defective methods of vine culture ; 2, excessive fiscal burdens ; and 3, inadequate returns both in the home and the foreign trade. With regard to 1, the costs of production are often not kept sufficiently low ; whereas, for instance, one grower can produce a quintal of grape on an outlay of L.35, another cannot do it on less than L.150. With a view to the elimination of the vast amount of waste under the existing methods improved facilities for technical education should be made available. With regard to 2, present fiscal burdens, direct and indirect, on the industry, amount to more than L.2 milliards annually. On a hectolitre of ordinary unbottled wine worth from L.100 to L.180, the total imposts in the large cities, which are the chief home consumers, amount to not less than L.90. On bottled wines the imposts vary from L.150 to L.500 according to the wine. The consequent high prices materially limit consumption. With regard to 3, insufficient attention is paid to the standardisation of quality and to advertisement for home consumption, and no serious effort is made to enhance exports. In particular Italy should seek to obtain preferential tariffs as least as favourable as those of her chief competitors, France and Spain.

The present crisis is due, as an article by Signor Giuffrida, another Deputy, points out, to the excess of supply over demand. This writer finds the main trouble in the variability of the annual produce. The area under vine cultivation rose from 1.87 mill. hectares in 1874 to 4.55 mill. h. in 1909, whilst last year the area was 4.28 mill. h., of which about 100,000 h. were in the newly acquired provinces. These figures include a very large area (3.47 mill. h. in 1923) under mixed cultivation. The average annual produce in 1870–1874 was 27.1 mill. hectolitres, in 1901–1905 38.2 mill., and in 1921–1923

41.7 mill. Home consumption fell from an annual average of 110 litres per head in 1915–1920 to 95 litres in 1921–1923. The diminution is ascribed to various causes, social and economic. The consumption of coffee, beer and mineral waters has risen by about 50 per cent.; temperance propaganda has resulted in certain legislative measures; the working classes are taking increasingly to sport, the cinematograph, etc., which means less wine drinking; the rise in the price of wine has reduced the consumption of the most regular wine drinkers, the middle classes. The wine industry has not taken adequate steps to counter these influences, and under the circumstances a single heavy harvest has sufficed to bring about a crisis. The Government has done something to help by reducing the tax on consumption from L.30 to L.15, and lowering transport charges, but even so, taxation and municipal rating remains excessive. The tax on consumption should be abolished altogether (this has now been done). Watering should be rigorously repressed, though this would probably not have any marked effect upon consumption, as the public is showing a growing preference for wines with a lower percentage of alcohol. Transport charges should be still further reduced. Above all, production should be industrialised and the organisation of marketing should be improved. Exports might be increased, though the present state of the world market for wine, combined with higher comparative costs of production in France or Spain, does not afford grounds for expecting any considerable expansion in this direction, and the home market must continue to absorb the bulk of the produce. A rebate in the tax on alcohol should encourage distillation, and efforts should be made to improve the quality of the vines.

Signor Lumia, of Rome University, expresses quite different views. He lays little weight on palliatives, like tax reduction or a revision of freight charges; the effect of the tax on the price to the consumer he regards as minimal. The Government should, however, do what it can; rather than alleviate the burden on wine growing at the expense of other forms of agriculture, it should facilitate the provision of credits, permit the deferment of tax payments till the new year, regulate the imports of malting barley; municipal authorities should suppress adulteration, and fix minimum alcoholic strengths. The real remedies, however, lie in other directions. Other crops should be substituted for the vine in the less favourable areas; vines should be thinned out so as to permit the use of animal traction and thereby reduce the cost of production; there should be increased production of dessert grapes; efforts should be made to regularise the consumption of the product by varying the time of ripening and by preserving the fresh grape. The execution of these and similar expert recommendations lies with the growers themselves. Finally, the present extent of wine growing is a dead weight from the point of view of Italy's foreign trade balance, and should be gradually reduced.

## COMMUNICATIONS

**Shipping and Railway Traffic.**—From January 1 to March 31, 1924, the tonnage cleared in Italian ports amounted to 23,609,862 tons and the goods loaded and unloaded to 6,686,604 tons. For the corresponding period of 1923 the figures were 20,319,881, and 6,099,368 respectively. During July the tonnage cleared in the port of Genoa increased 19.98 per cent., at Venice, 16.4 per cent., at Leghorn, 31.86 per cent., over that for July 1923, the average rate of increase for all Italian ports during that month being 21.75 per cent.

During the financial year 1923–24 the State railways carried 54,140,000 tons of goods, an increase of 18 per cent. increase over the figures for 1922–23 when 48,423,000 tons were carried. The increase in railway goods traffic from the leading ports as compared with the previous year was as follows: Genoa, 8.3 per cent.; Venice, 15.5; Trieste 92.7.

The figures just published for railway traffic in July 1924 exceed any hitherto registered in Italy. The railways carried 5,209,496 tons of goods and 546,894 cars were loaded, showing an increase over the previous year of 23.51 per cent., and 21.01 per cent. respectively. The average daily movement was 20,255 cars as against 16,436 in July 1923.

In June 1924 the automobiles in circulation in Italy numbered 61,251 as compared with 56,697 for the same month a year ago, motor lorries 28,212 as against 27,449 and motor cycles 38,262 as against 35,689. (Federation of Italian Industries' *Report*).

# TURKEY

## POLITICAL AND GENERAL

**The Economic Situation.** — The report presented to the shareholders of the Imperial Ottoman Bank at the general meeting held on July 16, 1924, before entering into the position of the bank, gave the following general survey of economic conditions under which the business of the bank had to be conducted during the previous year, which may perhaps prove of interest to our readers:—

The Near East in 1923 did not see the arrival of the prosperity and calm which it had been hoped that peace would bring. Various factors, political and economic, tended rather to aggravate the state of uneasiness which for years now has paralysed business in the countries with which the bank is chiefly concerned.

The new political order in Turkey has been slow in settling down. Elections first, then a Ministerial crisis and, finally, on October 29, the proclamation of the Republic, all contributed during the second half of 1923 to keep alive those feelings of uncertainty and apprehension which are inevitable in times of political change.

The new Government found itself faced with the arduous task of restoring a country exhausted by 12 years of continuous warfare, and of directing its adaptation to a new order. From an economic point of view, then, it is not surprising that the year 1923 should have been marked by a stagnation even more pronounced than that of the preceding year.

In Constantinople the market has remained inactive and business has been limited to operations of little importance. The principal causes of this inactivity are the uncertainty as to the internal policy of Turkey and to the general policy of Europe; the danger to peace which arose in the early months of the year on the check to the negotiations at Lausanne; and, lastly, the destruction of capital resources in various forms, caused by 12 years of warfare and the consequent inability of the population to produce and therefore to purchase commodities.

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The question of production, together with the important transit trade of Constantinople, forms the future basis of Turkish prosperity. Anatolia is an agricultural country, and, as such, one of the richest in the world. During the last year, however, crops were below the average. In the regions traversed by lines of railway, and on the plateaux of Central Anatolia, the cereal harvest was only moderate. On the other hand, in the eastern provinces, at Diarbékir, for instance, the yield was abundant, but, owing to the absence of means of communication, the crop could not be conveyed to the centres of consumption.

Other crops were equally unsatisfactory ; opium only yielded 2,000 cases, as against an average of 5,000 cases ; mohair, 25,000 bales, as against 100,000 bales. The cultivation of silk attained only 10 per cent. of the results which were usual before the war. Cotton showed some improvement at Adana, with 60,000 bales, as against 30,000 bales in the preceding year. These poor results are largely due to the diminution of the population. Certain products, such as figs and raisins, could not be entirely exported owing to the lack of labour available for packing.

With regard to the commercial movement in Constantinople, published statistics are incomplete, and, therefore, can be furnished only the figures for the imports of the first half-year. The value was as follows (in millions of Turkish pounds): First half of 1921, 58.5 ; first half of 1922, 39.1 ; first half of 1923, 38.4.

The export market, on the other hand, shows some animation. Certain articles have been sold at remunerative prices above those for the preceding year. As in the case of imports, only the figures for the first six months of the year can be given: First half of 1921, 12.3 ; first half of 1922, 13.1 ; first half of 1923, 12.9.

Movements in the exchange have contributed to the stagnation of business. Sudden and violent fluctuations of the rate in the course of a month have caused important losses and produced panic among importers, some of whom have found themselves unable to take delivery of goods which they had ordered. During the period under review the sterling rate has varied between 690 piastres and 811 piastres to the pound.

The variation in the franc exchange has had its obvious effect on the working of the bank, and it is to be hoped that the expressed determination of the French Government to balance its Budget, and the inherent soundness of the economic position in France, will tend to eliminate these violent fluctuations in the future. It is to be regretted that speculation should have been able to play so large a part in the unsettlement of monetary conditions.

In Turkey the currency question is free from one difficulty, which obtains in so many other countries : there has been no inflation of the currency. The note issue has not been increased in the slightest degree since the war.

In the economic world any general improvement of the situation is to be sought in stimulating demand and thereby causing increased production, in a wider exchange of commodities, in the restraint, so far as that may be possible, of speculation, and not, as some people are disposed to believe, in artificial measures of assistance which at best are merely palliatives.

## FINANCE

**The Revenue Estimates.**—The revenue estimates as contained in the annexes to the Finance Act for the year 1340 (1924–25) are reproduced in the August report of the Imperial Ottoman Bank, the expenditure estimates being, for want of space, reserved for the Bank's next report.

The Finance Act assigns to the Government a credit of £T140,433,369 in respect of expenditure, and the revenue estimates total £T129,214,610, divided among the different classes of revenue as follows (in millions of Turkish pounds) :—

Part I. *Direct Taxes :* Land and real property, 5.1 ; Temettu and war profits, 4 ; war tax, 0.5 ; military service exemption, 1.5 ; anghams, camels, 4.7 ; tithes, 27.5 ; revenue from forests in private ownership, 0.07 ; mining tax, 0.4 ; tax receipt forms, 0.04 ; total 43.9.

Part II. *Indirect Taxes :* Fiscal stamps, 0.6 ; Treasury stamps, 0.8 ; judicial expenses, 0.8 ; patents, 0.05 ; registration fees, 0.6 ; fines, 0.3 ; total 3.2.

Part III. *Sundry Duties :* Alcohol and spirits, 1.3 ; Tumbek, 0.02 ; Customs, 25.4 ; marine dues, 0.7 ; sanitary dues, 0.2 ; shooting and fishing permits, 0.4 ; total, 28.1.

Part IV. *Monopolies :* Salt, 1.6 ; tobacco, 5.2 ; post telegraph and telephone, 9.1 ; total 16.

Part V. *Institutions :* Revenue from schools, Industrial and Agricultural Institutions, 0.2 ; sanitary establishments, 0.01 ; Public Health Department, 0.5 ; various Government undertakings, 3.5.

Part VI. *State Domain Lands :* Revenue from Government property, 2.2 ; revenue from forests, 1.2 ; goods sold, 1 ; Konia plain irrigation, 0.03 ; total, 4.4.

Part VII. *Sundry Revenue :* Treasury operations, 0.07 ; control expenses paid by companies, 0.01 ; sundries, 2.3 ; percentage on salaries for pensions, 2.7 ; total, 5.2.

Part VIII. *Restitutions :* Restitutions from railways, 0.7 ; against compensation, 0.01 ; payments by the Régie and Public Debt (Surveillance Mixte), 0.1.

Part IX. *Consumption Taxes :* Cigarette papers, playing cards, billiards, draughts, matches, 14.4.

Part X. War tax, extraordinary war revenue, 11.6 ; revenue from fresh sources, 1.1 ; total, 12.7.

**The End of the Tobacco Regie.**—A Constantinople message states that the Angora Government has notified the French company owning the tobacco monopoly in Turkey, La Régie Ottomane des Tabacs, that its charter will be annulled as from March 1, 1925. The message states that the Turkish Government will pay to the company 40 million francs, the value of the buildings, drying houses, etc. erected in Turkey by the Company. All these buildings will then become the property of the Turkish Government. (*La Bulgarie.*)

**Banking News.**—According to a message from Angora it has been decided to found a new bank with a capital of 3 million Turkish pounds for the purpose of promoting and financing building operations in Turkey. (*Oikonomologos Athenon.*)

The annual report of the Imperial Ottoman Bank presented to the shareholders at the meeting held on July 16, 1924, after reminding the shareholders that the Bank's charter was due to expire next year, announced that an agreement had been signed between the Bank and the Turkish Government for its renewal until March 1, 1935, subject to ratification by the General Assembly when it meets in Angora some time in October.

## TRADE

**Oak Bark Exports.**—Before the war Turkey exported large quantities of oak to the United States for use in tanning. The greater part of the oaks are grown in the districts of Salicle, Burla and Ousak ; smaller quantities come from Anatolia. The oaks of the Burla district produce the most tannin, about 40 per cent. on the average, and are therefore the most esteemed. In Smyrna are three commercial firms trading in oak, having representatives abroad, who visit the markets on behalf of their firms. From the price agreed with the producer they deduct 12½ per cent., which is paid to the officials of the Ottoman debt, and the product is despatched to Smyrna for export. Little is sold to the local tanneries. Before the war the bulk of the oak bark went to Great Britain and the United States, but during the war the port of Smyrna being closed, these countries turned to other markets. Now the greater part of the oaks exported from Smyrna are purchased

by France and Italy, and only a small portion, about a third of the pre-war quantity, by the United States.

The Americans subject the oak purchased by them to a very detailed analysis, and the shippers must guarantee that the consignment contains a given quantity of tannin. The British and other purchasers confine themselves to an examination of the samples. (*Oikonomologos Athenon.*)

### AGRICULTURE

**Tobacco Output in 1924.**—This year's tobacco harvest is estimated at 61.4 mill. kg. as against 24 mill. in 1923 and 32 mill. in 1922.

This result is partly due to the recent emigration from Greece into the tobacco growing districts of expert Moslem labour in execution of the convention for the exchange of populations. (*Oikonomologos Athenon; Report Imperial Ottoman Bank*, August.)

**Cocoon Production in Syria.**—The production of fresh cocoons during the last three years was as follows (in kg.): 1921, 1,100,000; 1922, 1,900,000; 1923, 2,206,000; being only about 40 per cent. of the average for the period 1906–1911. This unfavourable situation is attributed, firstly, to the destruction of a number of mulberry trees cut down for fuel during the war; secondly, to the shortage of labour. The decline of agricultural labourers above all in the Lebanon has been considerable. Attracted by the high wages offered by industry in the towns to counterbalance the increased cost of living, the rural population are deserting the land. (*Exportateur Français.*)

## UNITED STATES

### POLITICAL AND GENERAL

**The Hurley Plan.**—Edward N. Hurley, former chairman of the Federal Trade Commission, war chairman of the Shipping Board and now a member of the Debt Funding Commission, has submitted to the Debt Commission a plan for the settlement of what France owes the United States. Commenting upon the plan, *The World* of Sept. 13 says that the presentation of it to the French authorities and European bankers was the purpose of his recent visit to Europe. It has their unofficial endorsement at least to the extent of furnishing a ground for discussion, and has met with an equally favourable verdict from the American bankers to whom it has been submitted. The Debt Funding Commission as a whole have still to consider it. The plan differs from most others submitted in that it provides for payment of the entire principal, one of the things the Board unanimously insists upon.

In brief, the plan contemplates extinguishing the $3,300,000,000 due now, including accrued interest, in sixty-seven years—or in sixty-three years if an alternative method is accepted by France. Payments would begin after five years, by which time the Dawes Plan is expected to be in full operation and France in receipt of regular reparations from Germany. A moratorium is to be allowed for these five years, in which interest will not accrue. The first process contemplates payment by France of a flat $100,000,000 a year, which would take care of principal and interest for sixty-seven years. The alternative process provides for smaller initial payments, increasing yearly until after twenty years they would exceed $100,000,000 annually, the increase progressing so that the debt would be wiped out after sixty-three years, approximately the term of the English debt settlement.

"It is provided that half the amount of each annual payment shall be reinvested by the United States in French industries—that is, $50,000,000 a year shall be used in the purchase of French industrial bonds. As these bonds are to mature in twenty-five years, it would mean a total investment of $1,250,000,000 in French enterprise. The amount would go higher than that, as the payments after twenty-five years would simply be a reinvestment of the proceeds of the bonds as they were paid. These industrial bonds are payable in francs and are to be purchased at the rate of exchange current at the time of each investment."

*The World* adds significantly: "Though there is no statement of the fact in the plan as presented, it does not require much discernment to see that it gives the United States a vital interest in keeping up the value of the franc. . . . Moreover, the investment of $50,000,000 a year would do much toward rehabilitation of French industries, on the same principle that the Federal Reserve loans in this country have acted to prevent business depression.

"Informally, the $50,000,000 a year, it is suggested, might go toward financing the stupendous Franco-Belgian project of electrification of the railroads, coal and iron industries, and development of the enormous water power of that region.

"At the expiration of the 63 or 67 year term, the United States would still hold 1,250,000,000 dollars of bonds of private French corporations. The last of these would mature twenty-five years after the debt had been discharged, or 92 years after France had begun to pay her debt."

### FINANCE

**Cheap Money.**—The cheapness of money is commented upon by most American newspapers. *The World*, in an editorial on September 13, dealt as follows with the phenomena:—

The City of Boston has just borrowed $3,000,000 at a rate which will made the loan cost 2.14 per cent. This is said to be the cheapest money on record in that municipality's experiences either for short-time or long-time engagements.

Secretary Mellon for the United States Treasury Department has within the week floated $350,000,000 of one-year certificates of indebtedness at $2\frac{3}{4}$ per cent. This also is said to be a low record in Federal Government borrowing without bank-note privileges for its paper.

Money is extraordinarily cheap. Floating capital seeking employment is extraordinarily plentiful. Even these two instances in illustration do not give the whole measure of cheapness. This is the season of the year when the crops begin to move and the commercial demands upon the money market strengthen notably. The demand for moving the crops must be quite as great as usual. Nevertheless the banks are so gorged with loanable funds that they can take care of the crops and then have more than enough left to employ very profitably. This unexampled plethora of money in the United States comes from our stripping Europe of most of its share through the war. Europe will need the use of it to get back to a living industrial footing. It looks as though the holders of this surplusage of funds will have to choose between lending freely to Europe or not lending at all.

### TRADE

**Export of Canned Foods.**—According to the *New York Evening Post* of Sept. 13 large increases are shown in canned food exports. Economic stabilisation prospects in Europe have had their effect on our export of canned foods during the first six months of the current year, and increases have been noted over the corresponding period of 1923 for every class and for practically every commodity, according to the foodstuffs division of the Department of Commerce. Canned fruits have shown the most notable activity. An increase of 18,000,000 lb. gives promise of wiping out the 50,000,000 lb. loss sustained in 1923 as a result of the post-war depression. The importance of canned foods in our foreign trade is being rapidly demonstrated. In a quantity comparison of 100 chief exports for 1923 canned milk stood thirty-ninth, while fruit was forty-fifth and vegetables occupied eighty-second place. In spite of the slump caused by the heavy drop in canned fruit shipments, the total of

all canned foods exported in 1923, 505,000,000 lb., would rank approximately twenty-fourth. The figures for the first six months of 1924, however, with an increase of nearly 24 per cent. over the corresponding period of last year, bid fair to place canned foods in a much higher position at the close of the present year.

**Export of Copper.**—Writing in the *New York Evening Post*, Mr. C. M. Withington forecasts "that an increase of 200,000,000 lb. in the amount of-copper exported from the United States will be written into the copper record of 1924." This is the opinion of leading men in the industry, who "are basing their hopes on what their own figures show in past performances and what they indicate or the next three months. . . . As hopeful ever that the pent up European demand for American copper will favourably affect metal prices, leaders in the industry are predicting a future level at which their product shall sell with estimates ranging as high as 17 cents a lb. This quotation, ventured by one of the largest factors in the business, is the top of all predictions. Other leaders do not look for much if any higher prices than 14 cents a lb."

## INDUSTRY

**Iron and Steel Industries.**—The financial sections of all the American newspapers for the week ending Sept. 13 devoted much space to the recent improvements displayed in the iron and steel industries. Shipments abroad increased considerably, and the Bethlehem Steel Corporation entered into large contracts with the Westinghouse Electric and Manufacturing Company for the equipment of a steel structural mill at Lackawanna, N.Y. Writing from Pittsburgh, the special correspondent of the *New York Evening Post* says: "The real backbone of the increasing production and shipment of steel in the past few weeks is general line buying by jobbers and manufacturing consumers all over the country. To a limited extent this is for stock replenishment in anticipation of heavier turnovers, in jobber distribution or in manufacturing, later in the year, but in larger part it is due to increasing industrial activity at the present time. It is not due to having just liquidated excess stocks, for that they had accomplished some time ago. There has been no definite change in quotable prices of important steel products since about the middle of August, except for a slight yielding in merchant bars. In this respect the steel market is holding much better than three years ago, when with reviving demand prices continued to slip at not infrequent intervals, reaching their lowest point seven or eight months after steel buying began to increase. There has been keen competition in several lines in the past two or three weeks, and there are hints of slight additional concessions being made here and there, but the general trading market is not quotably changed to any extent." It is estimated that "steel ingot production is now running at fully 60 per cent. of capacity, against 56 per cent. in August and 41 per cent. in July."

**Canadian Timber and American Capital.**—The *Philadelphia Public Ledger* of Sept. 14 is inclined to regard the embargo on unmanufactured exports as attributable to Henry Ford's holdings in Canadian timber. "It is generally understood that his large purchases of timber tracts had much to do with the placing of the recent embargo by Ontario on exports of unmanufactured timber from that province. . . . Cornelius Vanderbilt, Junior, who is credited with aspirations to become a publisher on a large scale, is another American who realises that if he is to have an important string of publications it is advisable that he ensure an adequate supply of pulp and paper. He has spent considerable time in British Columbia, and it is understood that he contemplates big things there."

The **Eco Della Stampa**, Corso Porta Nuova 24, Milan, Italy.—This office reads for you all newspapers and reviews, and sends to you with all despatch cuttings concerning you. Terms of subscription will be sent on receipt of your card.—*Advt.*

## COMMUNICATIONS

**New High-speed Cable to Italy.**—Work of laying a new cable which will transmit messages from five to eight times as fast as the standard speed of cables started to-day, when the American shore end was landed at Rockaway Beach. The new cable will extend to the Azores, thence to Malaga, Spain, and on to Italy. It is the first direct cable from America to Southern Europe. The "Colonia," cable-laying ship of the Telegraph Cable Construction and Maintenance Company, of Greenwich, England, has on board $4,000,000 worth of cable, which will be stretched from these shores to the Azores in two weeks. Horta, on the Isle of Fayal, one of the Azores group, is 2,721 miles from here. Anzio, on the coast of Italy, thirty-six miles from Rome, is the eastern destination of the line. This part from Horta to Anzio will be in two sections, one from Horta to Malaga, 1,347 miles, and the other from Malaga to Anzio, 997 miles. The length of the whole cable is about 5,422 land miles. The high speed of the cable is made possible by a new method of "loading" and is the outcome of experiments started immediately after the war by the Western Electric Company. The copper conductor or core of the cable is surrounded with a new magnetic alloy of nickel and iron, discovered by this company, and known as permalloy. In the course of the experiments it was seen that this new metal set up an inductance which overcame in large part the handicaps of the high-speed cable transmission inherent in submarine cables. An experimental stretch of 120 miles was laid and tested off Bermuda and messages of 1,500 letters a minute—five times speedier than the standard transmission—were sent successfully. "The new cable's speed will be so high that the existing apparatus for receiving messages would be inadequate," said Newcomb Carlton, president of the Western Union Company, to-day. "New apparatus for this purpose, embodying the use of the familiar electron vacuum tubes for amplifying the electrical impulses, has been invented and built by the Western Electric. When the new cable is in full operation it will require six automatic printing machines to record the messages received at either end." The part to be laid by the Western Union from New York to the Azores is of the new loaded type. A branch section, to be laid from Horta to Emden, Germany, will be of the loaded variety also. This second cable will establish communication with Germany, which was broken off at the beginning of the war. (*Public Ledger*, Sept. 3.)

The new cable, says the *New York Herald*, is American-owned, and will permit communications between the United States and Southern Europe free from the censorship of foreign cable companies. The copper wire which carries the electrical impulse is subjected, while at the bottom of the ocean, to terrific pressure caused by the millions of tons of water above it, and to a temperature estimated at over 30 degrees below zero. For some reason not wholly clear to electrical engineers, these forces increase the resistance to the transmission of the messages. By wrapping the copper strand with permalloy it was found possible to decrease this resistance. When the cable first began commercial service the minimum charge for a message to Europe was $100 for twenty words and the time required was thirty hours: now twenty words may be delivered in London from New York in thirty minutes for $1.20.

## FOREIGN BANK RATES.

| | Per cent. | | Per cent. | | Per cent. |
|---|---|---|---|---|---|
| Amsterdam | 5 | Danzig ..... | 10 | Prague ..... | 6 |
| Athens ..... | 7½ | Dublin ..... | 5 | Reval ..... | 9 |
| Belfast ..... | 5 | Geneva ..... | 4 | Riga ..... | 8 |
| Belgrade ... | 6 | Helsingfors | 9 | Rome ..... | 5½ |
| Berlin ..... | 90 | Kovno ..... | 8½ | Sofia ..... | 7 |
| Brussels ..... | 5½ | Lisbon ..... | 9 | Stockholm ... | 5½ |
| Bucharest ... | 6 | Madrid ... | 5 | Vienna ..... | 15 |
| Budapest ... | 12½ | Moscow ... | 6 | Warsaw ..... | 12 |
| Christiania ... | 7 | New York... | 3 | | |
| Copenhagen | 7 | Paris ..... | 6 | | |

# SPECIAL ARTICLES

## THE FRENCH RAILWAYS IN 1923.

M. Edouard Payen, in the *Economiste Français*, reviews the finances of the five leading French railways in 1923 as follows :—

The earnings of the five leading railways were higher in 1923 than in the previous year, but their final accounts were less favourable.

M. Payen analyses the earnings and expenditure of each company as follows :—

### Le Nord.

*Receipts.* The total earnings amounted to Fr.1,237.6 mill., showing an increase as compared with 1922 of Fr.67 mill. distributed among the various accounts as follows (in millions of francs): Passengers, +18.6; goods, Grande Vitesse, +2.1; goods Petite Vitesse, +56.6; livestock and carriages, —0.5; various, +0.08; various earnings apart from traffic, —10. According to the Board's report to the general meeting of shareholders this increase of earnings is due to the growing activity of reconstruction works during 1923; (there has been a falling off in this department during the current year) and to the general industrial revival throughout the country, particularly in the districts served by the Nord Railway.

*Expenditure* during the year amounted to Fr.1,109 mill., divided approximately as follows (in millions of francs): management, 37.6; working expenses, 332.1; stock and cost of running, 564.8; works and supervision, 176.3. The increase in expenditure as compared with 1922 amounts to Fr.48 mill., contributed as follows (in millions of francs): management, —59.2; working, +26.6; stock and cost of running, +71.2; works and supervision, +9.3. The decline in management or general administration expenses is entirely due to the transfer to their respective departments of the staff allowances of each department.

The increase of working expenses is actually only Fr.4.2 mill., supplemented by the staff allowances of Fr.22.3 mill. transferred to this department from the general management for the first time.

The actual increase in expenditure on stock and running, apart from the staff allowances transferred to this department for the first time is Fr.47.5 mill. This figure is more than explained by the increase in the fuel bill of Fr.52.9 mill. (which shows a slight decline in expenditure on other accounts in this department).

The increased expenditure of the works and supervision department amounted, after deducting the staff allowances transferred to the department for the first time, to Fr.3.5 mill. due almost entirely to the renewal of rails and sleepers which had been delayed by circumstances.

The net yield from the railway (after deducting the third of the Amiens–Rouen section) is made up as follows: Receipts, Fr.1,225,344,055; Expenditure, Fr.1,100,139,373—Surplus, Fr.125,204,682.

After certain deductions, for instance losses on the Paris Ceinture, the surplus for the year works out at Fr.122.8 mill. Against this surplus must be set the following charges (in millions of francs): interest and sinking fund on loans, 250.1; deduction in pursuance of the agreement (with the Government) of June 28, 1921, 20; management bonus to the railway, 8.4; management bonus to the staff, 14.6; total, 304; leaving a deficit of 179.3 to be carried to the account advances from the State. To this figure should be added 1.1 on account of advances made in 1923, bringing the aggregate advances by the State to 180.5 repayable by yearly payments in accordance with the terms of clause 13 of the agreement.

### L'Est.

*Receipts.* The total earnings amounted to Fr.1,062,440,364, less various receipts Fr.16,845,825, making the gross receipts from traffic Fr.1,045,594,539 as compared with Fr.1,016,977,579, which shows an increase of Fr.28,616,960 or 2.8 per cent.

The earnings for 1923 are as follows (in millions of francs): Passengers, 218.5 increase on the previous year's earnings, 20.5 or 103 per cent.; goods Grande Vitesse, 91.6, decrease 0.1 or 16 per cent.; goods Petite Vitesse, 735.2, increase 8.2 or 1.1 per cent. The yield per km. less tax was Fr.207,995, as against Fr.202,303 in 1923, giving an increase of Fr.5.962.

In order to attenuate as far as possible the stoppage of the despatch of foundry coke from Germany after the occupation of the Ruhr, the company facilitated the supply of the works served by its lines, by according, in agreement with the other railways, a provisional scale of rates for the transport of furnace coke from the coke works in the system of the other great French lines.

The amount of iron ore carried from the company's stations in the Briey, Longwy and Nancy fields, was 8.5 mill. tons, as against 6.9 mill. in 1922, an increase of 1.6 mill. tons. The iron and steel products despatched from the stations in the same districts amounted to 1.8 mill. tons as against 1.6 mill. tons in 1922, an increase of 0.2 mill. tons. The amount of fuel carried to the company's area amounted to 6.5 mill. tons as against 4.9 mill. in 1922, an increase of 1.6 mill.

*Expenditure.*—The working expenses in 1923 of Fr.875.5 mill. show an increase of Fr.27.3 mill., made up as follows (in millions of francs): management and general expenses, 2.6; working, 3.1; stock and traction, 3.9; upkeep of the permanent way and work, 11.6; various, 5.9. The increase in management and general expenditure is due to direct and indirect taxation, welfare fund and various allowances, the last named increase being attributable to the raising of the family allowances by Fr.120 per annum per child after the third. In working expenses cost of staff represents an increase of 3 million francs and running of engines an increase of 4 million francs due to increased cost of fuel. On the other hand compensation for loss, damage and delay has been reduced by 10 million francs. In the stock and running department the extension of the lines and the rise of coal have produced an increased expenditure of Fr.40.3 mill., largely set off by a reduction in upkeep and repair of rolling stock amounting to Fr.36 mill. Apart from interest on and cost of loans, working expenditure amounted to Fr.875.5 mill. and receipts to Fr.1,062.4 mill., giving a proportion of the former to the latter of 82.4 per cent., a slight increase of 0.65 per cent. In 1913 the proportion was 60.6 per cent. After reckoning interest on prior charges, dividends, management bonus to the line (Fr.5.8 mill.) and to the staff (Fr.12.4 mill.), the deficit for the year amounts to Fr.21.3 mill., an increase of Fr.14.2 mill. as compared with 1922.

### Paris–Lyon–Mediterranee.

*Receipts.*—These amounted to Fr.1,914 mill., an increase compared with 1922 of 8.6 per cent., composed (in millions of francs) of: Passengers, 494, increase 11 per cent.; goods, Grande Vitesse, 265, increase 9 per cent.; goods, Petite Vitesse, 1,155, increase 7.4 per cent. If to this figure be added miscellaneous receipts, the total earnings will work out at Fr.1,956 mill., as compared with Fr.1,806 mill. in 1922, an increase of Fr.156 mill.

It should be noted that the carriage of perishable goods largely increased during the year. A cold storage warehouse has been erected on the quay at Bercy-Rahée, with a storage capacity of 4,000 tons, and another on land connected by rail with the Perrache station at Lyons with a capacity of 5,000 tons. The transport of goods of all kinds by Petite Vitesse shows an increase.

*Expenditure.*—Working expenses amounted to Fr.1,673 mill., an increase of Fr.75 mill., or 4.7 per cent., as compared with 1922. The balance-sheet shows running expenses

of Fr.438 mill. (69 per cent. in respect of staff), a decline of Fr.35 mill. or 7.5 per cent. To the credit side of this account, the reduction of compensation paid in respect of loss, damage and delay contributes Fr.23 mill., this item being now practically reduced to the pre-war figure. The department of stock and cost of running amounts to Fr.730 mill. (27 per cent. in respect of staff), an increase of Fr.75 mill. or 11.5 per cent. Fuel (Fr.303 mill.) constitutes 41 per cent. of the cost, and shows an increase of 30 per cent. as compared with 1922 and 487 per cent. as compared with 1913. Permanent way contributes 225 millions (41 per cent. in respect of staff), an increase of Fr.40 mill., or 22 per cent., mainly attributable to the general rise in prices. Total receipts amount to Fr.1,956 mill., and expenditure to Fr.1,673 mill., an increase of Fr.76 mill., giving a surplus of Fr.283 mill. The proportion of cost of working to receipts is 85.5 per cent., as against 88.5 per cent. in 1922. Against the year's earning must be charged, in addition to cost of working, the net charges in respect of share capital and loans dividend, and bonuses to management and staff, making in all Fr.2,144 mill., which leaves a deficit of Fr.188 mill. as against Fr.244 mill. in 1922 and Fr.406 mill. in 1921. To this deficit must be added 7 millions in respect of first year charges, bringing the total deficit to Fr.195 mill. as against Fr.254 mill. in 1922, which is to be met out of the common fund. In accordance with clause 13 of the agreement of June 28, 1921, this amount has been advanced by the company by way of loan repayable to the company under the terms of the said agreement.

### Paris–Orleans.

*Receipts.*—Receipts Fr.1,030.2 mill., of which Fr.443.2 mill. goods Grande Vitesse, Fr.584.3 mill. goods Petite Vitesse, and Fr.29.7 mill. various, the increase as compared with 1922 being Fr.96 mill. The total amount of goods carried by Grande and Petite Vitesse shows an increase of 14.3 per cent. as compared with 1922. Transport rates on numerous classes of goods, especially on furnace coke, have been voluntarily reduced as far as the financial situation, but a reduction has been imposed by the Minister of Public Works on the rates for the transport of wine, in defiance of the advice of the Supreme Railway Board. This reduction has diminished earnings without any corresponding advantage to the consumer.

*Expenditure.*—Against receipts of (in round figures) Fr.1,030 mill. must be set expenditure of Fr.916.9 mill., leaving a balance of Fr.112.8 mill. The proportion of expenditure to revenue has thus improved from 119 per cent. in 1921 and 96.4 per cent. in 1922 to 89 per cent. last year. After bringing into account other outgoings, prior charges, bonuses, etc., the deficit for the year amounts to Fr.180.1 mill. This sum is chargeable against the common fund, but in view of the insolvency of this fund it has been advanced by the company to the Treasury, and is repayable under the terms of the agreement of June 28, 1921.

### Le Midi.

*Receipts.*—Net receipts Fr.475.9 mill., an increase of 6.9 per cent. as compared with 1922.

*Expenditure.*—Working expenses amounted to Fr. 451.6 mill., a decline compared with 1922 of Fr.7 mill. (1.5 per cent.), and an increase compared with 1914 of Fr.371.9 mill. This corresponds to an expenditure per km. of Fr.110,945, or Fr.1,734 less than in 1922. As a whole expenditure has not appreciably changed, but savings have been effected on repairs to stock. On the other hand, owing to the depreciation of the exchange on London, the price of fuel has increased by some 9 million francs. The average price of coal rose during the year from Fr.103 to Fr.120 per ton. Expenditure on the permanent way has been appreciably reduced. The amount paid in compensation for loss and damage has declined from Fr.17 mill. in 1921 and Fr. 12 mill. in 1922 to Fr.7.5 mill. in 1923. This decline is due to the better training of railwaymen and consequent improvement in the service. The proportion of net expenditure to net revenue has declined from 103.5 per cent. in 1922 to 94.9 per cent. in 1923.

Against receipts of Fr.475.9 mill. must be set total expenditure, including debenture interest, bonuses on management and staff (Fr.7.1 mill.) of Fr.594.1 mill., giving a deficit of Fr.118.2 mill. To this must be added the interest on debentures issued to cover the first year's deficit amounting to Fr.4.7 mill., brfnging the total deficit Fr.123 mill.

### The Total Deficit on the Railways.

The losses on the working of the railways for the year under review are as follows (in millions of francs) :— Nord, 180.5 ; Est, 21.3 ; P.L.M., 195 ; Orléans, 180.1 ; Midi, 123 ; total 760.1.

If to this deficit be added the deficit on the State and Alsace-Lorraine Railways, amounting according to an official statement to Fr.460 mill. and Fr.50 mill. respectively, the total loss shown by French railways for the year may be estimated at Fr.1,200 mill.

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## THE WORLD'S QUICKSILVER.

The world's quicksilver output as estimated by the Statistical Returns of the Metal Company of Frankfort on the Main, quoted by *Wirtschaft und Statistik*, was 3,300 t. in 1922, as against 2,100 in 1921, an increase of over 50 per cent. The output which had reached its lowest point in 1918 had, in the year under review, appreciably approached the average pre-war figure of 4,000 t. The following table shows the output for the last ten years in quantity and value (in (*a*) tons, (*b*) millions of dollars) :—

| Year. | (*a*) | (*b*) | Year. | (*a*) | (*b*) |
|---|---|---|---|---|---|
| 1913 | ... 4,000 | 4.6 | 1918 | ... 3,700 | 13.4 |
| 1914 | ... 3,800 | 5.4 | 1919 | ... 2,600 | 7.0 |
| 1915 | ... 3,900 | 10.0 | 1920 | ... 2,800 | 6.1 |
| 1916 | ... 3,800 | 14.0 | 1921 | ... 2,100 | 2.8 |
| 1917 | ... 4,000 | 12.5 | 1922 | ... 3,300 | 5.5 |

### The Output of the Principal Countries.

The returns for the 1923 output are not yet to hand, but ascertained figures show that it will be well over 3,000 t. The output returns of the chief quicksilver producing countries in the last pre-war and the post-war years are as follows (in tons) :—

| Country. | 1913. | 1919. | 1920. | 1921. | 1922. | 1923. |
|---|---|---|---|---|---|---|
| Spain ... | 1,245.7 | 1,226.0 | 861.7 | 635.4 | 1,318.2 | 1,136.1* |
| Italy ... | 1,004.0 | 845.0 | 1,401.0 | 1,071.0 | 1,541.0 | 1,605.0 |
| U. States | 687.6 | 728.5 | 455.6 | 215.6 | 216.9 | 270.0 |
| Mexico... | 165.7 | 118.9 | 77.2 | 46.0 | 42.0 | 142.8* |
| Japan ... | 0.1 | 0.6 | 2.7 | 6.0 | 1.2 | — |
| China ... | 2.1 | 80.4 | 45.5 | 98.0 | 17.1 | 1.6* |

* Provisional.

Since 1920 Italy has supplanted Spain as the world's principal quicksilver producer. The former's already considerable output has, since the war, been increased by the acquisition of the Istrian deposits formerly belonging to Austria, which in 1920 and 1921 produced 526, and 420 tons respectively, an increase of 50 per cent. as compared with the pre-war output. The output of the Spanish mines of Almaden and Arrayanes showed in 1921 a decline of 50 per cent. as compared with 1913, and in 1922 an increase of nearly 100 per cent. as compared with 1921, but the following year showed a farther setback. In the territory ceded by Hungary 67 tons were produced in 1920 and 45 t. in 1921. Formerly Russia produced quicksilver from the Donetz field, on an average of 300 to 350 t. a year, but this production has now entirely ceased. It is reported that the working of the Russian quicksilver mines has been resumed, and that the output in 1921 amounted to some 61 tons.

Output in the United States, since it reached its culminating point of 2,740 tons in 1877, shows in general a downward tendency, the average output during the five last pre-war years being about 730 tons. During the war, it is true, under the influence of high prices, it rose again to 1,230 t. in 1917. After the war a strong reaction set in, and in 1921 the quicksilver output was the lowest recorded for 75 years. The causes of this

decline are to be found in the high cost of production. Among regular quicksilver producing countries in both Continents of America may be reckoned Mexico and Peru, although the output of the latter has hitherto been small. Mexico's maximum output was 353 tons in 1898, and before the war it produced some 160 t. a year, reduced during the political troubles, but again revived to some extent since their termination.

Asia's quicksilver output, divided between China and Japan, has since the war been estimated at some 100 tons a year. As regards China, no returns are forthcoming, but from the export figures it may be inferred that output for the time being has increased considerably. Japanese output has also made remarkable progress, having risen from 93 kg. in 1913 to 5,950 kg. in 1921.

Other countries producing quicksilver in small, and more or less intermittent, quantities are: Algeria, Brazil, Portugal, Yugo-Slavia, Australia, New Zealand, Asia Minor (Konia and Kara Burnu) and Borneo.

### Trade of Various Countries.

The foreign trade in quicksilver of the leading countries (producers and consumers) is shown below (in tons):—

| Country. | 1913. | 1920. | 1921. | 1922. | 1923. |
|---|---|---|---|---|---|
| | | | *Export.* | | |
| Spain ... ... | 1,490 | 934 | 608 | 267 | — |
| Italy ... ... | 993 | 1,029 | 938 | 1,406 | 1,406 |
| | | | *Import.* | | |
| Germany* ... | 961 | 404 | 416 | 535 | 443 |
| Great Britain ... | 1,543 | 1,217 | 744 | 637 | 1,169 |
| United States ... | 78 | 482 | 361 | — | 711 |
| Japan ... ... | 156 | 379 | 182 | 191 | — |
| France ... ... | 198 | 212 | 32 | 78 | 161 |

* Inclusive of alloys.

As regards the two chief producing and exporting countries, Spain and Italy, while the former's export has appreciably declined since the war, the latter's has risen 50 per cent.

The chief consumer of quicksilver is Great Britain, whose market absorbs nearly the whole of Spain's output, and a large proportion of Italy's. The next largest importer in Europe is Germany, which before the war derived its main supply from Austria-Hungary, but since the Armistice has chiefly purchased in Italy, and in 1923 in Spain. The second largest importing country in the world is the United States, as its consumption largely exceeds its production. Only during the war were large quantities exported, presumably for armament purposes.

Japan, like the United States, is obliged to import every year large quantities of quicksilver, since the needs of the various industries using quicksilver such, for example, as the lacquer-work industry, which uses the mineral in the form of cinnabar dyes, are far from covered by home production.

Japan's extraordinarily large import figures for 1919 (450 t.), and 1920, as compared with normal years, may be explained by the fact that after the war large quantities in Great Britain were available for export, with the result that the Japanese market was glutted. Consequently Japan was obliged to regulate its quicksilver industry, and in 1920 to re-export 90 tons, the bulk of which went to the United States.

### The Market.

The world's quicksilver market was up to 1921 almost entirely controlled by the English firm of Rothschild, to which the sale of quicksilver was granted by contract with the Spanish Government. At the end of 1921 this contract was rescinded, and the regulation of prices was assigned to the administrations of the Government mines of Almaden and Arrayanes. Before the war, Germany exercised no inconsiderable influence over the world's quicksilver trade, at least over Italy's output, which was in the hands of undertakings in part financed by German money, but after the war German participation in these undertakings was transferred to an Italian firm. Before the war Germany was, in conjunction with Austria, then so richly provided with quicksilver, in a position to control some two-fifths of the world's quicksilver output.

The following table gives the average yearly price of quicksilver on the four leading markets of the world:—

| Year. | United States (New York) $ per 100 lb. (1). | Great Britain (London) £ s. d. per Flask (2). | Spain (Barcelona) Pesetas per Flask (2). | France (Paris) Francs per kg. |
|---|---|---|---|---|
| 1913 ... | 56.60 | 7 8 $7\frac{3}{4}$ | 232.50 | 5.10 |
| 1920 ... | 107.12 | 20 15 $9\frac{3}{4}$ | 384.0 | 29.08 |
| 1921 ... | 59.99 | 11 5 0 | 289.0 | 16.56 |
| 1922 ... | 78.60 | 11 13 $2\frac{7}{8}$ | 322.64 | 18.67 |
| 1923 ... | 87.30 | 10 6 $1\frac{1}{8}$ | 300.83 | 25.42 |

(1) 1 lb. = 0.454 kg. (2) 1 Flask = 34 kg.

Prices on the British and United States market underwent violent fluctuations during the war, whereas in Spain and France they remained unchanged from 1916 to 1918 at 385 pesetas the flask or 12 francs the kilogramme. The culminating point in prices was reached, in Europe, only after the war in 1920, but in America it was reached in 1916 when it attained $182 per 100 lbs. (New York).

In 1923 the increase in quicksilver prices, as compared with those of pre-war times, was 54 per cent. in America, 39 per cent. in Great Britain, and 29 per cent. in Spain.

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# THE ECONOMIST'S BOOKSHELF.

## CHINESE LABOUR.

**Chinese Coolie Emigration** to Countries within the British Empire. By Persia Crawford Campbell, M.A. (Sydney). With a Preface by the Hon. W. Pember Reeves, Ph.D. (London: P. S. King & Son, Ltd. Price 10s. 6d. net.)

In reviewing Miss Persia C. Campbell's work upon Chinese Coolie Emigration one would like to reproduce, and rest content with, the Preface written to it by the Hon. W. Pember Reeves. He understands the problem to be elucidated, and has performed an excellent piece of introductory work to a book which merits the introduction thoroughly. On the question of Chinese Labour, Miss Campbell has accumulated, and presented in this volume, a mass of relative information; it is carefully and judiciously edited and to her use of it, students of an ugly problem may turn in quest of sober conclusions.

Most British readers will have forgotten that cheap Chinese Labour was used as an economic experiment in the production of raw material for their own industrial consumption. At best, memory will only revive the intense political controversy occasioned by the Transvaal experiment in the first decade of the present century, and then it will be remembered more as a victory of the British Liberal Party than as the abolition of a system of labour which, according to some, was denounced as tending to "social disaster." But, experiments with Chinese labour have been carried far and wide and, if one may hazard a guess, the last experiment in an effort to obtain cheap labour has not yet been tried. Perhaps, and one can only hope, that future experiments will not exhibit the abuses which make sickly reading of former experiments with Chinese emigrants or even those of Indian nationality. It can safely be said of the traffic in Chinese labour, as of that in Indian labour, that the British public, largely, were ignorant, but it is beyond dispute that while many were eloquent over the abolition of slavery others were paving the paths of righteousness with equally cheap substitutes.

In her book Miss Campbell has given us a survey of Chinese emigration to parts of the British Empire. The operation of the "Credit-Ticket" system in British Malaysia, Canada, Australia and New Zealand occupy the first part of her study, while the second half is devoted to what is described as Chinese "Contract-Emigration," and deals with the Rand experiment and the system now in vogue in mandated territories in the South Pacific Islands. Both parts of the book make disagreeable reading, simply because its exposure is of heartless traffic in human life, a fact which becomes not less nauseating

when it is known that the traffic was conducted by, and for the profit of, Chinese dealers in their own fellow-countrymen. From such a beginning one has no difficulty in constructing the rest of the story, culminating in an "indentured labour system." In all the countries in which an experiment with Chinese labour was tried, the same story is to be told and its aspects are dealt with by Miss Campbell with an impartiality which it would be hard to equal.

In her own conclusions upon the subject of Chinese immigration into countries within the British Empire, Miss Campbell would consider the question under two general aspects: (1) Immigration into temperate regions where British communities have already settled; and (2) immigration into tropical areas, where the native population is too small or too unsuited for modern economic development to meet the needs of capitalistic enterprise. In the former, young British communities came to regard China as a source whence there might pour forth into their midst a flood of immigrants, and therefore they secured themselves politically against subversion. Miss Campbell thinks a policy of moderate restriction would have avoided this. "But," she goes on to say, "it is further argued by the British Dominions that a modified policy would encourage an alien system of debt bondage over which they can have no control. Such a system, it is believed, has led, and would again lead, to unfair economic competition with both wage-earning and merchant classes, the inevitable result being a lowering of the 'standard of life' won by them after much strenuous endeavour." This danger also, Miss Campbell believes, could be counteracted by legislation, and regards the emphasis upon the problem as shifting from economics to eugenics. "Chinese immigrants will be unwelcome to any British community as long as they remain a group apart." The prejudice against miscegenation being too strong, it is highly "improbable that even a moderate immigration of Chinese—or of other Asiatics—into the British Dominions will be allowed."

The exodus of Chinese into the tropical British Colonies, with the exception of the Straits Settlements, Miss Campbell regards as resulting "mainly from the institution of the indentured labour system." This system, she concludes, is subject to abuse, and, it "may be questioned whether, under such circumstances, the indentured labour system should be allowed to continue if the end to be attained through social organisation is the welfare of man rather than the accumulation of 'cities and money and rich plantations.'" That "if" touches the difficult, the vital and the practically unanswerable question.

The Hon. W. Pember Reeves in the Preface to this book commends it especially to his "countrymen in Australia and New Zeland, and among them to the leaders of colonial labour." It is in that quarter of the Empire that the questions aroused by Chinese Labour possess most significance. In conclusion, we would quote from Mr. Reeves' peroration: "I have read that there are politicians in South Australia who are in favour of the development of the northern territory by Asiatic labour 'under proper regulation.' I wish every member of the South Australian Parliament would read this book. They could then judge for themselves how far the best-meant regulations are able to make male Asiatic labour immigration, systematically carried on for development purposes, a clean and decent thing. . . . It may be said that Chinese Coolie immigration is dead for the moment. That may be so. But every decade brings queer, gusty changes in public opinion, fresh impatience, fresh agitations, and fresh crops from the fertile soil of ignorance." H.J.H.

## THE EVILS OF UNDER-CONSUMPTION.

**The Unclaimed Wealth.** By H. Abbati. With an Introduction by J. A. Hobson. (London: George Allen & Unwin, Ltd. Price, 6s. net.)

It ought not to be impossible for economic science to discover a convincing reason, or group of reasons, why trade fluctuations occur. Various seeming culprits —bankers, speculators, manufacturers, wholesalers, retailers, governments, the sun—are from time to time saddled with the guilt (for guilt there must be somewhere), and they are not slow to accuse each other; but the evidence still remains too slender for impartial adjudicators to attach or apportion the blame with any degree of unanimity. Yet of all the accused the sun alone has received an honourable and triumphant acquittal, whilst new supposed offenders are continually being brought up for trial. Mr. Abbati arraigns the consumer, and it must be said at once that he is an extremely able prosecuting counsel. He is not an academic theorist, but he is an acute practical thinker, and this book reflects all the freshness of a vigorous mind in direct contact with affairs. He may be compared to a man who, primarily a statesman, writes the history of the events in which he has himself participated; such a man may not produce a monument of history as such, but he may well produce something of high value both to the professional historian and to the general reader. Such an achievement is Mr. Abbati's in his own field.

It is generally agreed that increased production per head of the population is the only means of raising the standard of a nation's material welfare. Producers and consumers are alike insatiable of markets and commodities respectively, yet for some reason or other there is an almost perennial maladjustment between selling and buying, producing and consuming, which prevents either from attaining anything near the full measure of their desires. Mr. Abbati finds that the evil lies in under-consumption. A boom is the response to a shortage of commodities, yet when a plenitude is produced it is left unconsumed. The trouble, in the author's view, is that the effective demand, in anticipation of which production takes place, always disappoints expectations; if it kept pace with production there would be no trade depression. By a penetrating analysis he shows that it is the effective demand for commodities, and not their production, which controls both the rapidity of circulation of money, and the expansion and contraction of the total supply of cash and credit money. If, therefore, those in possession of money refuse to expend it on commodities or services they force down the total supply of cash and credit money in relation to the quantity of commodities or services available for sale, and thus bring about the fall in prices which is a familiar accompaniment of depressions. And that is just what happens; instead of spending their money as they ought they allow it to lie fallow in the form of bank deposits or to circulate aimlessly on the stock market. On the virtues of spending Mr. Abbati is rhapsodical:—

> "Purchasing power, whether it is derived from any sort of wages, rent, interest or profit, can only be truly saved when it is fully utilised by being *all spent* without delay on those things that maintain human life in its highest form. It must be all spent not merely on bare necessities of food, clothing and shelter, but upon luxuries, art and education; and by being so spent it creates automatically that quantity of labour-saving machinery and plant that is required for the purpose. It is only by *spending* money that humanity can grow in number, beauty and greatness, and only in this way is anything truly saved."

If purchasing power were better distributed it would not be wastefully saved as it is at present. The workers are not receiving their just share of consumers' surplus. Large quantities of any surplus arising from a labour-saving discovery are wrongfully attached by monopolies of one sort or another, and having been attached, the use of it is then economised for private reasons. The effective demand for labour is thereby so restricted that the market price of labour is held below the level at which consumers' surplus begins. Those who have wrongfully become the possessors of the right to enjoy the surplus refuse to buy, and those from whom the surplus has been mis-appropriated are unable to buy. The remedy suggested by Mr. Abbati is that the State should guarantee and maintain the effective demand for production. Whether or not we agree with his diagnosis or his remedy, we must allow that this volume is an important contribution to the discussion on the causes of trade depressions and their cure, and the line of thought which it adumbrates deserves further development. J.C.J.

# STATISTICAL SECTION

## THE TRADE BAROMETER

Our weekly index is composed of quotations for the ten following commodities :—

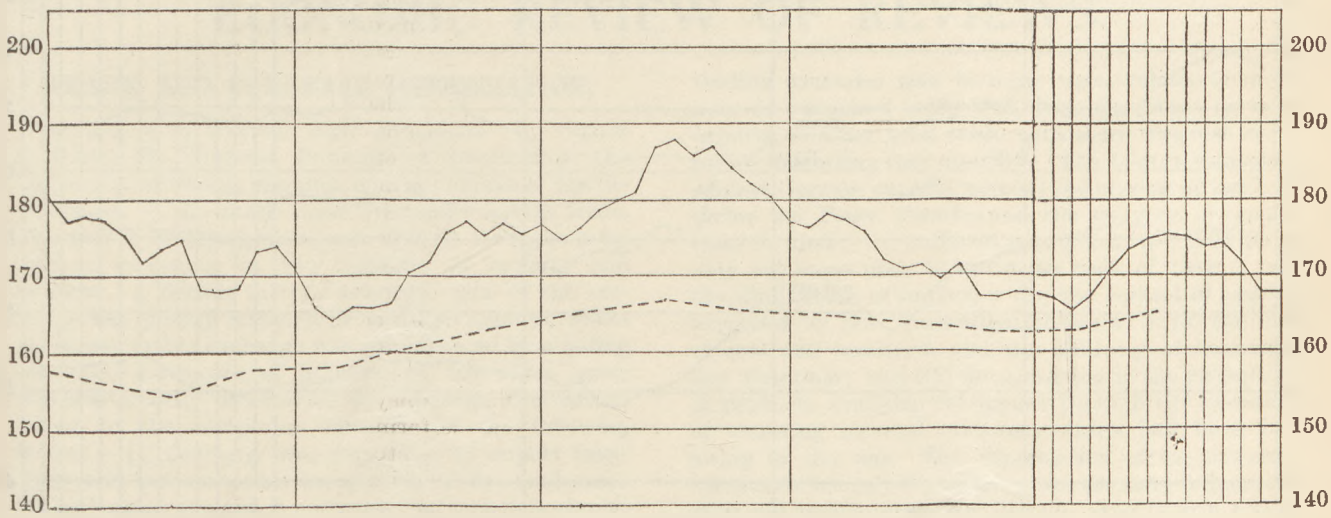
1. Pig iron. 2. Tin. 3. Coal. 4. Linseed Oil. 5. Cotton. 6. Wool. 7. Hides. 8. Wheat. 9. Bacon. 10. Sugar.

Table I. shows the movements of our ten commodities in the aggregate, and Table II. the movements of each of them in relation to the others. We have chosen December 30, 1921, as our base, the price of each commodity on that day being represented by 100 (at a time when the index in Table I. stood at 150). For a full explanation of our index number see The Economic Review, Aug. 29, 1924, page 194.

### TABLE I.

| Date | 10 Commodities | Bde of Tde Monthly Average | Date | 10 Commodities | Bde. of Tde Monthly Average | Date | 10 Commodities | Bde. of Tde Monthly Average | Date | 10 Commodities | Bd. of Tde Monthly Average |
|---|---|---|---|---|---|---|---|---|---|---|---|
| 1920. | | | | | | | | | | | |
| Jan. 16 | 367.9 | 296.6 | May 12 | 204.3 | 201.7 | Aug. 18 | 164.0 | 156.3 | Dec. 14 | 177.0 | 163.4 |
| Feb. 13 | 367.6 | 310.3 | June 17 | 201.8 | 197.7 | Sept. 15 | 161.2 | 154.3 | 1924 | | |
| Mar. 19 | 396.9 | 319.0 | July 15 | 194.4 | 194.1 | Oct. 13 | 161.2 | 155.2 | Jan. 18 | 178.6 | 165.4 |
| Apr. 16 | 384.6 | 325.2 | Aug. 19 | 178.1 | 190.0 | Nov. 17 | 169.3 | 157.6 | Feb. 15 | 187.9 | 167.0 |
| May 14 | 391.2 | 325.5 | Sept. 16 | 183.4 | 187.0 | Dec. 15 | 161.2 | 155.8 | Mar. 14 | 182.1 | 165.4 |
| June 18 | 417.7 | 322.4 | Oct. 14 | 170.2 | 180.7 | 1923 | | | Apr. 18 | 177.5 | 164.7 |
| July 16 | 418.8 | 316.9 | Nov. 18 | 154.5 | 172.8 | Jan. 12 | 162.8 | 157.0 | May 16 | 171.2 | 163.7 |
| Aug. 13 | 386.8 | 313.1 | Dec. 16 | 153.2 | 167.9 | Feb. 16 | 177.2 | 157.5 | June 20 | 167.8 | 162.6 |
| Sept. 17 | 379.4 | 311.4 | Dec. 30 | 150.0 | | Mar. 16 | 192.4 | 160.3 | July 18 | 167.1 | 162.6 |
| Oct. 15 | 328.6 | 302.3 | 1922 | | | Apr. 20 | 198.5 | 162.0 | Aug. 15 | 175.3 | |
| Nov. 19 | 293.0 | 286.9 | Jan. 20 | 144.0 | 164.0 | May 18 | 198.1 | 159.8 | „ 22 | 175.1 | 165.2 |
| Dec. 17 | 257.0 | 263.8 | Feb. 17 | 149.2 | 161.8 | June 15 | 190.0 | 159.3 | „ 29 | 173.9 | |
| 1921 | | | Mar. 17 | 149.8 | 160.0 | July 20 | 177.3 | 156.5 | Sept. 5 | 174.2 | |
| Jan. 14 | 244.2 | 245.9 | Apr. 14 | 151.7 | 160.1 | Aug. 17 | 174.6 | 154.5 | „ 12 | 171.7 | |
| Feb. 18 | 219.1 | 225.2 | May 19 | 162.1 | 160.6 | Sept. 14 | 173.2 | 157.8 | „ 19 | 167.9 | |
| Mar. 18 | 199.0 | 210.8 | June 16 | 163.6 | 159.9 | Oct. 19 | 166.0 | 158.1 | „ 26 | 167.9 | |
| Apr. 15 | 202.8 | 204.8 | July 14 | 165.1 | 160.3 | Nov. 16 | 171.7 | 160.8 | | | |

### CHART ILLUSTRATING TABLE I.




Reference : Economic Review Index Number——— Board of Trade Monthly Index Number – – – – –

### TABLE II.

| Date | Pig iron. | Tin. | Coal. | Linseed Oil. | Cotton. | Wool. | Hides. | Wheat. | Bacon. | Sugar. | Mean. | Date. |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Dec. 30, 1921 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | Dec. 30, 1921 |
| 1922. | | | | | | | | | | | | 1922. |
| Jan. 27 ... | 90.6 | 90.5 | 92.4 | 108.8 | 85.3 | 100.0 | 82.6 | 101.1 | 94.4 | 96.1 | 94.18 | ... Jan. 27 |
| Apr. 28 ... | 92.9 | 89.4 | 89.6 | 149.1 | 87.9 | 106.7 | 78.3 | 113.5 | 115.8 | 107.7 | 103.09 | ... Apr. 28 |
| July 28 ... | 92.9 | 94.5 | 97.2 | 157.9 | 110.1 | 111.1 | 97.1 | 119.0 | 116.5 | 119.2 | 111.15 | ... July 28 |
| Sept. 29 ... | 94.3 | 95.2 | 92.9 | 135.1 | 105.9 | 117.8 | 96.4 | 82.8 | 104.0 | 134.6 | 105.90 | ... Sept. 29 |
| Nov. 3 ... | 95.5 | 107.5 | 100.0 | 140.3 | 119.9 | 133.3 | 106.5 | 91.9 | 104.8 | 134.6 | 113.43 | ... Nov. 3 |
| Dec. 29 ... | 89.4 | 106.7 | 91.5 | 138.6 | 126.0 | 120.0 | 93.5 | 90.4 | 89.7 | 138.5 | 108.43 | ... Dec. 29 |
| 1923. | | | | | | | | | | | | 1923. |
| May 18 ... | 110.8 | 117.9 | 128.3 | 166.7 | 120.2 | 137.8 | 102.9 | 102.7 | 91.2 | 242.3 | 132.08 | ... May 18 |
| Oct. 12 ... | 93.4 | 117.1 | 90.6 | 150.9 | 136.4 | 126.7 | 84.8 | 83.0 | 66.2 | 145.9* | 109.50 | ... Oct. 12 |
| Nov. 16 ... | 97.2 | 127.4 | 97.2 | 149.1 | 165.8 | 128.9 | 87.0 | 86.2 | 73.5 | 132.7 | 114.50 | ... Nov. 16 |
| 1924. | | | | | | | | | | | | 1924. |
| Feb. 15 ... | 96.7 | 163.4 | 96.2 | 171.9 | 159.6 | 151.1 | 91.3 | 100.4 | 65.8 | 156.1 | 125.25 | ... Feb. 15 |
| Apr. 18 ... | 99.1 | 142.2 | 100.0 | 133.3 | 160.4 | 153.3 | 87.7 | 99.6 | 71.3 | 136.5 | 118.33 | ... Apr. 18 |
| June 13 ... | 92.5 | 128.9 | 81.1 | 140.4 | 147.3 | 142.2 | 92.0 | 106.7 | 83.5 | 99.3 | 111.39 | ... June 13 |
| July 11 ... | 89.6 | 128.9 | 74.5 | 140.4 | 140.6 | 142.2 | 92.8 | 111.5 | 80.9 | 101.4 | 110.28 | ... July 11 |
| Aug. 15 ... | 87.7 | 148.0 | 78.3 | 145.6 | 158.8 | 151.1 | 94.2 | 124.1 | 84.6 | 96.6 | 116.90 | ... Aug. 15 |
| Sept. 5 ... | 87.3 | 149.3 | 75.5 | 151.8 | 136.6 | 151.1 | 97.1 | 115.4 | 88.2 | 108.8 | 116.11 | ... Sept. 5 |
| „ 12 ... | 87.3 | 147.3 | 71.7 | 150.9 | 125.6 | 151.1 | 97.1 | 116.2 | 86.0 | 111.5 | 114.47 | ... „ 12 |
| „ 19 ... | 87.3 | 138.5 | 71.7 | 152.6 | 113.9 | 151.1 | 97.1 | 114.6 | 81.6 | 110.8 | 111.92 | ... „ 19 |
| „ 26 ... | 85.8 | 136.6 | 72.6 | 151.8 | 120.6 | 151.1 | 97.1 | 113.8 | 81.6 | 108.1 | 111.91 | ... „ 26 |

*Revised Quotation.

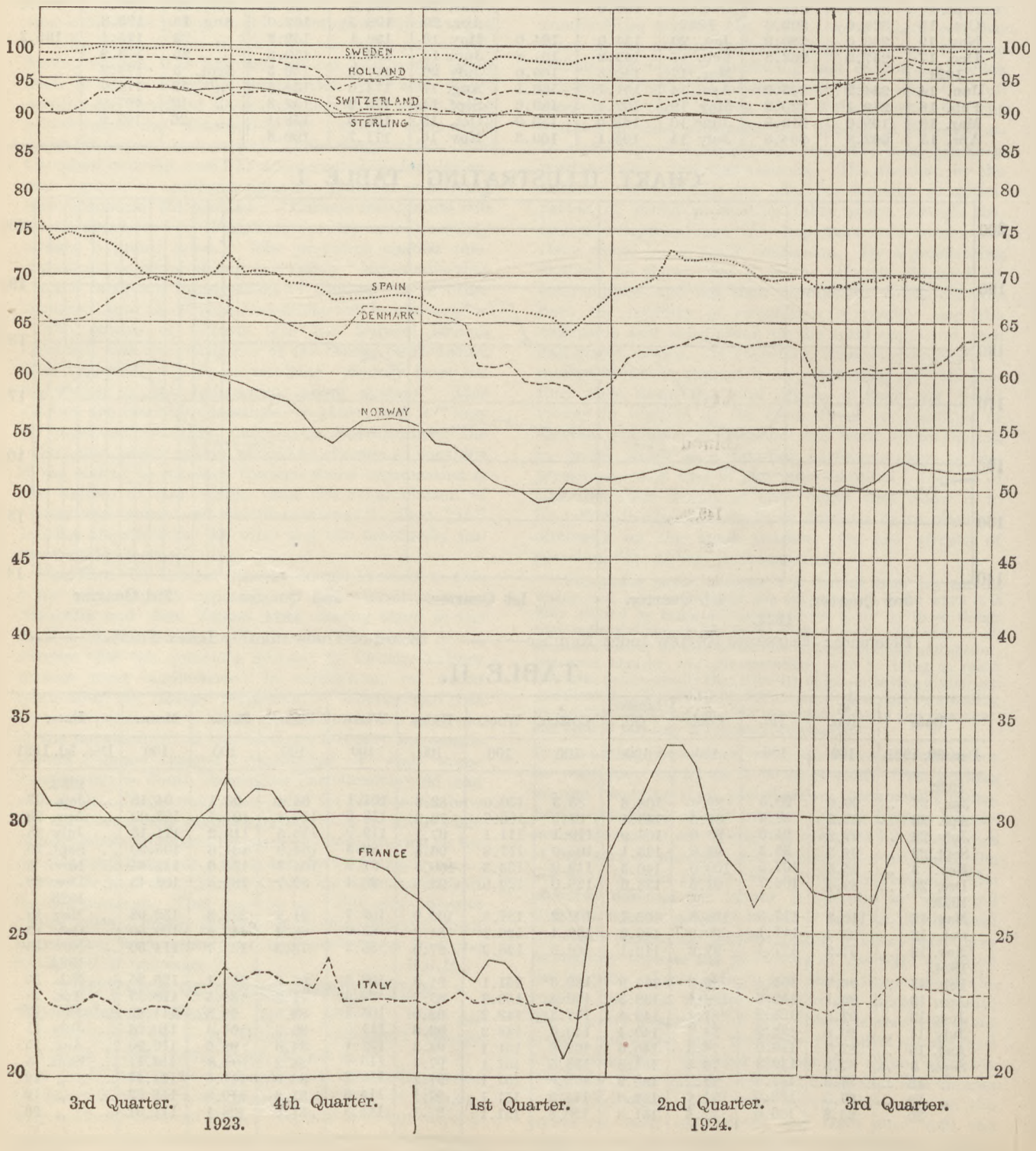
# *Statistical Section*

# THE EUROPEAN EXCHANGES

## WEEKLY PERCENTAGE OF DOLLAR PARITY

*(To Week Ending Sept. 27th.)*

| | Week ending Sept. 27. | Sept. 20. |
|---|---|---|
| Sweden ... ... | 99.31 | 99.31 |
| Switzerland ... | 98.40 | 97.72 |
| Holland ... ... | 96.16 | 95.72 |
| Sterling ... ... | 91.83 | 91.83 |
| Spain ... ... | 69.02 | 68.71 |

| | Week ending Sept. 27. | Sept. 20. |
|---|---|---|
| Denmark ... | 64.12 | 63.24 |
| Norway ... ... | 51.88 | 51.52 |
| France ... ... | 27.35 | 27.61 |
| Italy ... ... | 22.75 | 22.75 |

The curves for each country show the percentage of dollar parity, the daily quotations (over London) being averaged every week. The scale is logarithmic, so that equal vertical distances represent equal *proportional* differences and changes in every curve.